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Government  
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BILL 177

Government Bill

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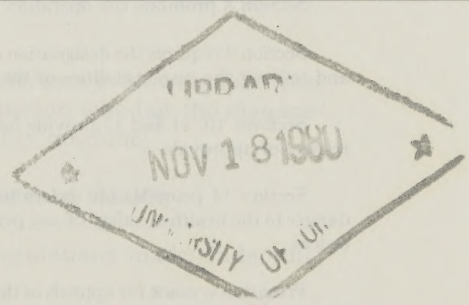
*Legislative Assembly*

BILL 177

1980

An Act to provide for  
the Safe Use of X-ray Machines in the Healing Arts

THE HON. D. R. TIMBRELL  
Minister of Health



TORONTO

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#### EXPLANATORY NOTE

The Bill provides for regulation of the installation and the operation of x-ray machines in the healing arts. X-ray machine is defined in section 1 as "an electrically powered device the purpose and function of which is the production of x-rays for the irradiation of a human being for a therapeutic or diagnostic purpose".

Section 3 regulates the installation of x-ray machines.

Section 4 requires the registration of x-ray machines, their locations and the names and addresses of their owners.

Section 5 prohibits the operation of an x-ray machine by an unqualified person. Qualifications are to be prescribed by the regulations. A transitional period until the 1st day of January, 1984 or such later date as may be named by proclamation is provided in the section.

Section 6 prohibits the operation of an x-ray machine upon a human being except upon the prescription of a medical practitioner, a dentist, a chiroprapist, a chiropractor or an osteopath.

Section 7 will prohibit the use of unqualified persons as operators of x-ray machines.

Section 8 prohibits the operation of a substandard x-ray machine.

Section 9 requires the designation of a radiation protection officer in a facility and sets out the responsibilities of the radiation protection officer.

Sections 10, 11 and 12 provide for appeals from decisions of the Director in respect of approvals.

Section 13 provides for orders by the Director or an inspector because of danger to the health or safety of any person and section 14 provides for emergency orders.

Provision is made for appeals to the Health Facilities Appeal Board in respect of approvals and orders.

Section 15 establishes the Healing Arts Radiation Protection Commission and sets out its functions.

Section 19 provides for the appointment of the Director of X-ray Safety and section 20 provides for the appointment and powers of inspectors.

BILL 177

1980

## An Act to provide for the Safe Use of X-ray Machines in the Healing Arts

**H**ER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

**1.—(1)** In this Act,

Interpre-  
tation

- (a) “Appeal Board” means the Health Facilities Appeal Board established by *The Ambulance Act*;
- (b) “Commission” means the Healing Arts Radiation Protection Commission established under section 15;
- (c) “Director” means the Director of X-ray Safety appointed under section 19;
- (d) “inspector” means an inspector appointed under section 20;
- (e) “owner”, when used with reference to an x-ray machine, means the owner or other person who has the management and control of the x-ray machine;
- (f) “Minister” means the Minister of Health;
- (g) “regulations” means the regulations made under this Act;
- (h) “x-ray equipment” includes x-ray imaging systems, processing equipment and equipment directly related to the production of images for diagnosis or directly related to irradiation with x-rays for therapy;
- (i) “x-ray machine” means an electrically powered device the purpose and function of which is the production of x-rays for the irradiation of a human being for a therapeutic or diagnostic purpose;

R.S.O. 1970,  
c. 20

- (j) "x-rays" means artificially produced electromagnetic radiation with peak energy greater than five kilovolts.

Shielding (2) In this Act, a reference to the installation of an x-ray machine includes a reference to the shielding of the area in which the x-ray machine is installed.

Administration of Act **2.** The Minister is responsible for the administration of this Act.

Approval of installation **3.**—(1) No person shall install an x-ray machine unless the Director has issued written approval for the installation.

Issuance of approval (2) Subject to subsection 3, any person who applies in accordance with this Act and the regulations for written approval for the installation of an x-ray machine and,

(a) submits to the Director the plans, specifications and information prescribed by the regulations;

(b) who meets the requirements of this Act and the regulations; and

(c) pays the prescribed fee,

is entitled to be issued the written approval.

Criteria (3) The Director may refuse to approve a proposed installation of an x-ray machine where,

(a) the proposed installation will not comply with this Act or the regulations;

(b) the application therefor is incomplete;

(c) the plans, specifications and information required by this Act and the regulations in respect of the installation of the x-ray machine have not been submitted to the Director or are incomplete; or

(d) any fees due are unpaid.

Installation (4) Where the Director has issued written approval for the installation of an x-ray machine, no person shall install the x-ray machine other than in accordance with the plans, specifications and information on the basis of which the Director issued the written approval.

Revocation of approval (5) Subject to section 10, the Director may revoke an approval where it was issued on mistaken or false information.



(6) Where the Director has given written approval for the installation of an x-ray machine and the x-ray machine has been installed in accordance with the plans, specifications and other information on the basis of which the Director issued the approval, no person shall change the installation without the written approval of the Director for the change. Approval of change

(7) Subsections 1 to 5 apply with necessary modifications in respect of a change in an installation of an x-ray machine and, for the purpose, changing an installation of an x-ray machine shall be deemed to be installing an x-ray machine. Application of subss. 1-5

**4.—**(1) The owner of an x-ray machine shall not operate the x-ray machine or cause or permit the x-ray machine to be operated for the irradiation of a human being unless the x-ray machine, the location of the x-ray machine and the name and business address of the owner of the x-ray machine are registered with the Director. Registration

(2) Upon the application of the owner of an x-ray machine and upon payment of the fee prescribed by the regulations, the Director shall register the x-ray machine, its location and the name and business address of the owner thereof. Application

(3) An owner of an x-ray machine registered with the Director who changes his business address shall give written notice of the change to the Director within fifteen days of the occurrence of the change. Notice of change

(4) An owner of an x-ray machine who is registered with the Ministry immediately before the coming into force of this Act shall be deemed to have registered with the Director under subsection 1. Transitional

(5) The Director may require a person mentioned in subsection 4 to file with the Director plans, specifications and information in respect of the x-ray machine and its installation and every such person shall file the plans, specifications and information when so required. Filing of material

**5.—**(1) No person shall operate an x-ray machine for the irradiation of a human being unless the person meets the qualifications and requirements prescribed by the regulations. Use of x-ray machine

(2) The following persons shall be deemed to meet the qualifications prescribed by the regulations: Persons deemed to be qualified

1. A legally qualified medical practitioner.

2. A member of the Royal College of Dental Surgeons of Ontario.

R.S.O. 1970,  
c. 70

3. A person registered as a chiropodist under *The Chiropody Act* on the 1st day of November, 1980.

4. A person registered as a chiropodist under *The Chiropody Act* after the 1st day of November, 1980, who is a graduate of a four-year course of instruction in chiropody accredited by the Council on Education of The Canadian Association of Chiropodists.

R.S.O. 1970,  
c. 137

5. A person registered as a chiropractor under *The Drugless Practitioners Act*.

6. A person registered as an osteopath under *The Drugless Practitioners Act*.

R.S.O. 1970,  
c. 399

7. A radiological technician registered under *The Radiological Technicians Act*.

8. A person registered as a dental hygienist by the Council of the Royal College of Dental Surgeons of Ontario.

Transitional

(3) Subsection 1 does not apply before the 1st day of January, 1984, or such later date as may be named by proclamation of the Lieutenant Governor in respect of a person who, prior to the coming into force of this section, was operating an x-ray machine for the irradiation of human beings.

Instructions  
required

**6.** No person shall operate an x-ray machine for the irradiation of a human being unless the irradiation has been prescribed by,

(a) a legally qualified medical practitioner;

(b) a member of the Royal College of Dental Surgeons of Ontario;

R.S.O. 1970,  
c. 70

(c) a person registered as a chiropodist under *The Chiropody Act* on the 1st day of November, 1980;

(d) a person registered as a chiropodist under *The Chiropody Act* after the 1st day of November, 1980, who is a graduate of a four-year course of instruction in chiropody accredited by the Council on Education of The Canadian Association of Chiropodists;

R.S.O. 1970  
c. 137

(e) a person registered as a chiropractor under *The Drugless Practitioners Act*; or

(f) a person registered as an osteopath under *The Drugless Practitioners Act*.

**7.** On and after the 1st day of January, 1984, or such later date as may be named by proclamation of the Lieutenant Governor, no person shall cause or permit any other person to operate an x-ray machine for the irradiation of a human being unless the other person meets the qualifications and requirements prescribed by the regulations. Causing or permitting use of x-ray machine

**8.** No person shall operate an x-ray machine for the irradiation of a human being, unless the x-ray machine meets the standards prescribed by the regulations. X-ray machine standards

**9.—(1)** The owner of an x-ray machine that is installed for the purpose of the irradiation of human beings shall designate a person who meets the qualifications prescribed by the regulations and who is, Radiation protection officer

(a) a legally qualified medical practitioner;

(b) a member of the Royal College of Dental Surgeons of Ontario;

(c) a person registered as a chiropodist under *The Chiropody Act* on the 1st day of November, 1980; R.S.O. 1970, c. 70

(d) a person registered under *The Chiropody Act* after the 1st day of November, 1980 who is a graduate of a four-year course of instruction in chiropody accredited by the Council of Education of The Canadian Association of Chiropodists;

(e) a person registered as a chiropractor under *The Drugless Practitioners Act*; or R.S.O. 1970, c. 137

(f) a person registered as an osteopath under *The Drugless Practitioners Act*,

as the radiation protection officer for the facility in which the x-ray machine is installed.

(2) The owner of a portable x-ray machine shall designate a person who meets the qualifications prescribed by the regulations and who is described in clause *a, b, c, d, e* or *f* of subsection 1 as the radiation protection officer for the portable x-ray machine. Idem, portable x-ray machine

(3) Subsection 2 does not apply in respect of a portable x-ray machine that is operated only in a facility for which a radiation protection officer has been appointed under subsection 1, but the radiation officer is responsible in respect of the portable x-ray machine in accordance with subsection 4. Exception



Responsi-  
bilities

- (4) A radiation protection officer for a facility is responsible,
- (a) for ensuring that every x-ray machine operated in the facility is maintained in safe operating condition; and
  - (b) for such other matters related to the safe operation of each x-ray machine in the facility as are prescribed by the regulations.

Proposal  
to refuse  
to issue  
or to revoke  
an approval

**10.**—(1) Where the Director proposes to refuse to issue or to revoke an approval under section 3 for the installation or for a change in the installation of an x-ray machine, the Director shall serve notice of his proposal, together with written reasons therefor, on the applicant or the person to whom the approval was issued, as the case may be.

Notice

(2) A notice under subsection 1 shall inform the applicant or person to whom the approval was issued that he is entitled to a hearing by the Appeal Board if, within fifteen days after the notice under subsection 1 is served on him, he gives written notice to the Director and the Appeal Board requiring a hearing by the Appeal Board and he may so require such a hearing.

Powers of  
Appeal  
Board

(3) Where a hearing is required under subsection 2, the Appeal Board shall appoint a time for and hold the hearing and may direct the Director to carry out his proposal or refrain from carrying out his proposal and to take such action as the Appeal Board considers the Director ought to take in accordance with this Act and the regulations and, for such purposes, the Appeal Board may substitute its opinion for that of the Director.

Parties

**11.**—(1) The Director, the applicant or other person who has required the hearing and such other persons as the Appeal Board may specify are parties to proceedings before the Appeal Board under this Act.

Notice of  
hearing

(2) Notice of a hearing shall afford the applicant or other person who has required the hearing a reasonable opportunity to show or to achieve compliance before the hearing with all lawful requirements for the issue of the approval of the Director.

Examination  
of docu-  
mentary  
evidence

(3) Any party to proceedings under section 10 shall be afforded an opportunity to examine before the hearing any written or documentary evidence that will be produced or any report the contents of which will be given in evidence at the hearing.

Members  
holding  
hearing not  
to have  
taken part  
in investiga-  
tion, etc.

(4) Members of the Appeal Board holding a hearing shall not have taken part before the hearing in any investigation or consideration of the subject-matter of the hearing and shall not communicate directly or indirectly in relation to the subject-matter of

the hearing with any person or with any party or his representative except upon notice to and opportunity for all parties to participate, but the Appeal Board may seek legal advice from an adviser independent from the parties and in such case the nature of the advice shall be made known to the parties in order that they may make submissions as to the law.

(5) The oral evidence taken before the Appeal Board at a hearing shall be recorded and, if so required, copies of a transcript thereof shall be furnished upon the same terms as in the Supreme Court. Recording of evidence

(6) The findings of fact of the Appeal Board pursuant to a hearing shall be based exclusively on evidence admissible or matters that may be noticed under sections 15 and 16 of *The Statutory Powers Procedure Act, 1971*. Findings of fact  
1971, c. 47

(7) No member of the Appeal Board shall participate in a decision of the Appeal Board pursuant to a hearing unless he was present throughout the hearing and heard the evidence and argument of the parties and, except with the consent of the parties, no decision of the Appeal Board shall be given unless all members so present participate in the decision. Only members at hearing to participate in decision

(8) Documents and things put in evidence at a hearing shall, upon the request of the person who produced them, be released to him by the Appeal Board within a reasonable time after the matter in issue has been finally determined. Release of documentary evidence

**12.**—(1) Any party to the proceedings before the Appeal Board under this Act may appeal from its decision or order to the Supreme Court in accordance with the rules of court. Appeal to court

(2) Where any party appeals from a decision or order of the Appeal Board, the Appeal Board shall forthwith file in the Supreme Court the record of the proceedings before it in which the decision was made, which, together with the transcript of evidence if it is not part of the Appeal Board's record, shall constitute the record in the appeal. Record to be filed in court

(3) The Minister is entitled to be heard, by counsel or otherwise, upon the argument of an appeal under this section. Minister entitled to be heard

(4) An appeal under this section may be made on questions of law or fact or both and the court may affirm, alter or rescind the decision of the Appeal Board and may exercise all powers of the Appeal Board to direct the Director to take any action which the Appeal Board may direct him to take and as the court considers proper and for such purposes the court may substitute its opinion for that of the Director or of the Appeal Board, or the court may Powers of court on appeal

refer the matter back to the Appeal Board for rehearing, in whole or in part, in accordance with such directions as the court considers proper.

Order by  
Director or  
inspector

**13.**—(1) The Director or an inspector may make a written order directed to any one or more of,

- (a) the owner of an x-ray machine;
- (b) any person who operates the x-ray machine; or
- (c) the radiation protection officer for the facility in which the machine is installed or, in the case of a portable x-ray machine, the radiation protection officer for the portable x-ray machine,

requiring the taking of such action as, in the opinion of the Director or inspector, upon reasonable and probable grounds, is necessary in order to achieve compliance with this Act or the regulations, or both, or is necessary or advisable to protect the health or safety of any patient or member of the public in or near the premises where the x-ray machine is operated.

Notice of  
proposal to  
make order

(2) The Director or the inspector who proposes to make an order under subsection 1 shall serve notice of the proposal, together with written reasons therefor, on the person to whom he proposes to direct the order.

Notice  
requiring  
hearing

(3) A notice under subsection 2 shall inform the person that he is entitled to a hearing by the Appeal Board if he gives notice in writing to the Director and the Appeal Board, within fifteen days after the notice under subsection 2 is served on him, requiring a hearing and he may so require such a hearing.

Power of  
Director or  
inspector  
where no  
hearing

(4) Where a person served with notice under subsection 2 does not require a hearing in accordance with subsection 3, the Director or inspector may carry out the proposal stated in his notice.

Powers of  
Appeal  
Board  
where  
hearing

(5) Where a hearing is required under subsection 3, the Appeal Board shall appoint a time for and hold the hearing and by order may direct the Director or the inspector to carry out his proposal or refrain from carrying out his proposal and to take such action as the Appeal Board considers the Director or the inspector ought to take in accordance with this Act and the regulations and, for such purposes, the Appeal Board may substitute its opinion for that of the Director or the inspector.

Application  
of  
ss. 11, 12

(6) Sections 11 and 12 apply with necessary modifications to proceedings under this section.



**14.—(1)** Where the Director or an inspector is of the opinion, upon reasonable and probable grounds, that an emergency exists by reason of danger to the health or safety of any patient or member of the public in respect of an x-ray machine or the installation, operation or maintenance of an x-ray machine, the Director or inspector may make an oral or written order directed to any one or more of,

Emergency  
order

- (a) the owner of the x-ray machine;
- (b) any person who operates the x-ray machine;
- (c) the radiation protection officer for the facility in which the x-ray machine is installed or, in the case of a portable x-ray machine, the radiation protection officer for the portable x-ray machine.

(2) An order under subsection 1 may require the person to whom it is directed to stop operating or stop the operation of the x-ray machine either permanently or for a specific period of time.

Contents  
of order

(3) A person affected by an order under subsection 1 may appeal therefrom in person or by an agent and by telephone or otherwise to the Director, and the Director, after receiving the submissions of the person and of the inspector, shall vary, rescind or confirm the order.

Immediate  
appeal

(4) Where the director makes an order under subsection 1 or varies or confirms an order under subsection 3, the Director shall forthwith thereafter serve a written copy of the order or the order as varied or confirmed, together with written reasons therefor, upon the person to whom the order is directed.

Written  
reasons  
for order

(5) An order under subsection 1 or an order as varied or confirmed under subsection 3 shall inform the person to whom it is directed that he is entitled to a hearing by the Appeal Board if he gives notice to the Director and the Appeal Board, within fifteen days after a copy of the order or the order as varied or confirmed is served on him, notice in writing requiring a hearing and he may so require such a hearing.

Notice

(6) Notwithstanding that an appeal is taken against an order under subsection 1 or an order as varied or confirmed under subsection 3, the order is effective at and from the time it is communicated to the person to whom it is directed until it is confirmed, varied or rescinded on appeal and the person shall comply with the order immediately.

Effect  
of order

(7) Where a hearing is required under subsection 5, the Appeal Board shall appoint a time for and hold the hearing and the Appeal Board by order may confirm, alter or rescind the order of

Powers  
of Appeal  
Board

the Director and for such purposes the Appeal Board may substitute its opinion for that of the Director.

Application of ss. 11, 12	(8) Sections 11 and 12 apply with necessary modifications to proceedings under this section.
Where order rescinded by Director	(9) The Director by an order may rescind an order made under subsection 1 or an order as varied or confirmed and in such case shall serve a copy of the order upon the person to whom the order or the order as varied or confirmed was directed.
Commission established	<b>15.</b> —(1) There is hereby established a commission to be known as the Healing Arts Radiation Protection Commission.
Composition	(2) The Commission shall be composed of five persons.
Disqualification	(3) No person who is or has been a member of the governing body of, or who is or has been registered under any Act governing a health discipline or a health practice, shall be a member of the Commission.
Chairman and vice-chairman	(4) The Lieutenant Governor in Council shall appoint the members of the Commission and shall designate a chairman and a vice-chairman from among the members of the Commission.
Terms of office	(5) The members of the Commission may be appointed for a term of one, two or three years and members may be reappointed, but in no case shall a member serve for more than six consecutive years.
Vacancy	(6) Every vacancy on the Commission caused by the death, resignation or incapacity of a member may be filled by the appointment by the Lieutenant Governor in Council of a person to hold office for the remainder of the term of the member.
Remuneration	(7) The members of the Commission shall be paid such remuneration and expenses as are determined by the Lieutenant Governor in Council.
Staff R.S.O. 1970, c. 386	(8) Such employees as are necessary to carry out the duties of the Commission shall be employed under <i>The Public Service Act</i> .
Duties of Commission	<b>16.</b> —(1) The Commission, <div style="margin-left: 40px;">(a) shall advise the Minister on matters relating to the health and safety of persons in respect of irradiation by x-rays;  <div style="margin-left: 40px;">(b) is responsible for the continuing development of an X-ray Safety Code;</div></div>

- (c) shall review the contents of courses in the operation of x-ray machines and x-ray equipment and approve the courses it considers satisfactory;
- (d) shall examine, study and report to the Minister on such matters, including health screening programs involving the use of x-rays, as the Minister may refer to the Commission for the purpose; and
- (e) shall perform such other duties as are assigned to it by or under this or any other Act.

(2) The Commission shall submit an annual report on its activities to the Minister which shall include such additional information as the Minister may require. <sup>Annual report</sup>

**17.**—(1) The Commission shall establish advisory committees to assist it in the continuing development of an X-ray Safety Code and to assist it in respect of safety in relation to irradiation from x-rays in each of the following disciplines: <sup>Advisory committees</sup>

1. Chiropody.
2. Chiropractic.
3. Dentistry.
4. Medical radiology.
5. Radiological technology.

(2) Subject to the approval of the Minister, the Commission may establish additional advisory committees to assist it in respect of safety in relation to irradiation from x-rays. <sup>Idem</sup>

(3) Subject to the approval of the Minister, the Commission shall fix the total number of members of each advisory committee established under subsection 1 or 2. <sup>Composition</sup>

(4) The members of an advisory committee appointed under subsection 1 or 2 may be paid such remuneration on a daily or other basis, and such necessary expenses, as may be fixed or approved by the Minister. <sup>Remuneration</sup>

**18.** Subject to the approval of the Minister, the Commission may engage scientific, technical and professional consultants in matters relating to protection from irradiation by x-rays. <sup>Professional and other assistance</sup>



Director  
of X-ray  
Safety

**19.** The Minister shall appoint an employee of the Ministry of Health as Director of X-ray Safety for the purposes of this Act and the regulations.

Inspectors

**20.—(1)** The Minister may appoint in writing one or more employees of the Ministry or other persons as inspectors for the purposes of this Act and the regulations and in an appointment may limit the authority of an inspector in such manner as the Minister considers necessary or advisable.

Certificate  
of  
appointment

(2) The Minister shall issue to every inspector appointed under subsection 1 a certificate of his appointment.

Production  
of  
certificate

(3) Every inspector, in the execution of his duties under this Act and the regulations, shall produce his certificate of appointment upon request.

Inspection

(4) An inspector at all reasonable times may enter and inspect the premises and may inspect the operations and all records and radiographs where an x-ray machine is installed or operated and may require the production of proof that any person who operates an x-ray machine meets the qualifications and requirements prescribed by the regulations to ensure that the provisions of this Act and the regulations are complied with.

Powers  
of  
inspector

(5) Upon an inspection under this section, an inspector is entitled to make tests and examinations to determine whether or not x-ray machines are installed and used in compliance with this Act and the regulations.

Copies

(6) Upon an inspection under this Act, an inspector, upon giving a receipt therefor, may remove any material that relates to the purpose of the inspection in order to make a copy thereof, but the copying shall be carried out with reasonable dispatch and the material in question shall be promptly thereafter returned to the person being inspected.

Admissibility  
of  
copies

(7) Any copy made as provided in subsection 6 and purporting to be certified by an inspector is admissible in evidence in any action, proceeding or prosecution as *prima facie* proof of the original.

Obstruction

(8) No person shall obstruct an inspector or withhold or destroy, conceal or refuse to furnish any information or thing required by the inspector for the purposes of an inspection.

Information  
confidential

**21.—(1)** Each member of the Commission, each employee of the Commission, each consultant engaged by the Commission, the

Director, each inspector appointed under this Act and each person engaged in the administration of this Act and the regulations shall preserve secrecy with respect to all matters that come to his knowledge in the course of his employment or duties pertaining to the health of any person and shall not communicate any such matter to any other person except as provided in this Act.

(2) A person referred to in subsection 1 may furnish information Exceptions pertaining to the health of a person,

- (a) in connection with the administration of this Act or any Act of Ontario or of Canada related to the delivery of health services or to safety in relation to irradiation from x-rays or regulations made thereunder;
- (b) in proceedings under this Act or the regulations;
- (c) to the person who provided a service to which the information is related, his solicitor or personal representative, the executor, administrator or committee of his estate, his trustee in bankruptcy or other legal representative; or
- (d) to the person who received the service to which the information is related, his solicitor, personal representative, another person who has lawful custody of or is guardian for the person or other legal representative of the person.

(3) The Director may communicate information of the kind referred to in subsection 2 and any other information related thereto to the statutory body governing the profession or to a professional association of which a person who provides a service referred to in subsection 2 is a member or governing the health practice practised by the person. Exception for professional discipline

**22.** The Lieutenant Governor in Council may make regulations, Regulations

- (a) prescribing any matter required or authorized by this Act to be, or referred to in this Act as, prescribed by the regulations;
- (b) prescribing classes of or in respect of any matter that is or may be prescribed under the regulations;
- (c) limiting the application of any regulation to any one or more of the classes prescribed under clause *b*;

- (d) exempting any class of persons, x-ray machines or facilities from any provision of this Act or the regulations and attaching conditions to any such exemption;
- (e) governing or limiting, or both, the purposes for which any class of persons may operate x-ray machines or any class of x-ray machines;
- (f) prescribing an X-ray Safety Code including,
  - (i) prescribing standards for the installation of x-ray machines,
  - (ii) prescribing standards for darkrooms and dark-room procedures associated with the operation of x-ray machines or any class of x-ray machines,
  - (iii) prescribing standards and procedures for the operation of x-ray machines and x-ray equipment or any class of x-ray machines or x-ray equipment,
  - (iv) prescribing physical standards for persons who operate x-ray machines or x-ray equipment,
  - (v) prescribing standards and procedures for the purpose of minimizing exposure to x-rays of patients and members of the public,
  - (vi) governing the testing of x-ray machines and x-ray equipment including, but not limited to, prescribing tests in respect of x-ray machines and x-ray equipment and requiring persons operating x-ray machines and x-ray equipment and radiation protection officers to perform the tests,
  - (vii) prescribing programs for evaluation of performance of procedures and observance of standards,
  - (viii) prescribing additional duties of radiation protection officers and persons who own or operate x-ray machines,
  - (ix) prescribing standards of design, construction, operation and performance for x-ray machines and x-ray equipment operated in Ontario,



- (x) requiring compliance with any matter prescribed or governed under subclauses i to ix;
- (g) governing the keeping of records by persons who own or operate x-ray machines and by radiation protection officers and requiring and governing returns by them to the Director;
- (h) prescribing classes of radiation protection officers and restricting or limiting the types of facilities or x-ray machines or both for which any such class may be designated as radiation protection officers;
- (i) prescribing subject-matters for courses of study in the operation of x-ray machines and x-ray equipment and prohibiting approval by the Commission of any course of study that does not include a subject-matter so prescribed for the course of study;
- (j) prescribing additional duties and powers of the Commission, the Director and inspectors;
- (k) prescribing forms and providing for their use;
- (l) adopting by reference, in whole or in part, with such changes as the Lieutenant Governor in Council considers necessary, any code or standard and requiring compliance with any code or standard that is so adopted;
- (m) prescribing fees for registrations and approvals.

**23.—(1)** Every person who,

Offences

- (a) knowingly furnishes false information in an application under this Act or in any statement or return required to be furnished under this Act or the regulations;
- (b) fails to comply with any order, direction or other requirement made under this Act; or
- (c) contravenes any provision of this Act or the regulations,

and every director or officer of a corporation who knowingly concurs in such furnishing, failure or contravention is guilty of an offence and on conviction is liable to a fine of not more than \$5,000.

(2) Where a corporation is convicted of an offence under sub- Corporations  
section 1, the maximum penalty that may be imposed upon the corporation is \$25,000 and not as provided therein.

Proceedings  
to prohibit  
continuation  
or  
repetition  
of  
contravention

**24.** Where any provision of this Act or the regulations or any order issued under this Act by the Director is contravened, notwithstanding any other remedy or any penalty imposed, the Director may apply to the Divisional Court by originating motion for an order prohibiting the continuation or repetition of the contravention or the carrying on of any activity specified in the order that, in the opinion of the court, will or is likely to result in the continuation or repetition of the contravention by the person committing the contravention, and the court may make the order and it may be enforced in the same manner as any other judgment of the Supreme Court.

Protection  
from  
personal  
liability

**25.**—(1) No action or other proceeding for damages shall be instituted against the Director or an inspector for any act done in good faith in the execution or intended execution of his duty or for any alleged neglect or default in the execution in good faith of his duty.

Crown not  
relieved of  
liability  
R.S.O. 1970,  
c. 365

(2) Subsection 1 does not, by reason of subsections 2 and 4 of section 5 of *The Proceedings Against the Crown Act*, relieve the Crown of liability in respect of a tort committed by an agent or servant of the Crown to which it would otherwise be subject and the Crown is liable under that Act for any such tort in a like manner as if subsection 1 had not been enacted.

Service

**26.**—(1) Any notice, order, decision or other document required to be given, served or delivered under this Act or the regulations is sufficiently given, served or delivered if delivered personally or sent by registered mail addressed to the person to whom it is required to be given, served or delivered at the latest address for service appearing on the records of the Ministry or, where there is no address for service so appearing, at the address, if any, last known to the Director.

When service  
deemed made

(2) Where service is made by registered mail in accordance with subsection 1, the service shall be deemed to be made on the seventh day after the day of mailing unless the person on whom service is being made establishes that he did not, acting in good faith, through absence, accident, illness or other cause beyond his control, receive the notice, order, decision or other document until a later date.

Commence-  
ment

**27.** This Act comes into force on a day to be named by proclamation of the Lieutenant Governor.

Short title

**28.** The short title of this Act is *The Healing Arts Radiation Protection Act, 1980*.





# BILL 177

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An Act to provide for the Safe Use  
of X-ray Machines in the Healing Arts

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*1st Reading*

November 3rd, 1980

*2nd Reading*

*3rd Reading*

---

THE HON. D. R. TIMBRELL  
Minister of Health

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*(Government Bill)*

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4TH SESSION, 31ST LEGISLATURE, ONTARIO  
29 ELIZABETH II, 1980

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An Act to provide for  
the Safe Use of X-ray Machines in the Healing Arts

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THE HON. D. R. TIMBRELL  
Minister of Health

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TORONTO

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BILL 177

1980

## An Act to provide for the Safe Use of X-ray Machines in the Healing Arts

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1.—(1) In this Act,

Interpre-  
tation

- (a) “Appeal Board” means the Health Facilities Appeal Board established by *The Ambulance Act*; R.S.O. 1970,  
c. 20
- (b) “Commission” means the Healing Arts Radiation Protection Commission established under section 15;
- (c) “Director” means the Director of X-ray Safety appointed under section 19;
- (d) “inspector” means an inspector appointed under section 20;
- (e) “owner”, when used with reference to an x-ray machine, means the owner or other person who has the management and control of the x-ray machine;
- (f) “Minister” means the Minister of Health;
- (g) “regulations” means the regulations made under this Act;
- (h) “x-ray equipment” includes x-ray imaging systems, processing equipment and equipment directly related to the production of images for diagnosis or directly related to irradiation with x-rays for therapy;
- (i) “x-ray machine” means an electrically powered device the purpose and function of which is the production of x-rays for the irradiation of a human being for a therapeutic or diagnostic purpose;

(j) “x-rays” means artificially produced electromagnetic radiation with peak energy greater than five kilovolts.

Shielding (2) In this Act, a reference to the installation of an x-ray machine includes a reference to the shielding of the area in which the x-ray machine is installed.

Administration of Act **2.** The Minister is responsible for the administration of this Act.

Approval of installation **3.**—(1) No person shall install an x-ray machine unless the Director has issued written approval for the installation.

Issuance of approval (2) Subject to subsection 3, any person who applies in accordance with this Act and the regulations for written approval for the installation of an x-ray machine and,

(a) submits to the Director the plans, specifications and information prescribed by the regulations;

(b) who meets the requirements of this Act and the regulations; and

(c) pays the prescribed fee,

is entitled to be issued the written approval.

Criteria (3) The Director may refuse to approve a proposed installation of an x-ray machine where,

(a) the proposed installation will not comply with this Act or the regulations;

(b) the application therefor is incomplete;

(c) the plans, specifications and information required by this Act and the regulations in respect of the installation of the x-ray machine have not been submitted to the Director or are incomplete; or

(d) any fees due are unpaid.

Installation (4) Where the Director has issued written approval for the installation of an x-ray machine, no person shall install the x-ray machine other than in accordance with the plans, specifications and information on the basis of which the Director issued the written approval.

Revocation of approval (5) Subject to section 10, the Director may revoke an approval where it was issued on mistaken or false information.

(6) Where the Director has given written approval for the installation of an x-ray machine and the x-ray machine has been installed in accordance with the plans, specifications and other information on the basis of which the Director issued the approval, no person shall change the installation without the written approval of the Director for the change.

Approval  
of change

(7) Subsections 1 to 5 apply with necessary modifications in respect of a change in an installation of an x-ray machine and, for the purpose, changing an installation of an x-ray machine shall be deemed to be installing an x-ray machine.

Application  
of subss. 1-5

**4.—(1)** The owner of an x-ray machine shall not operate the x-ray machine or cause or permit the x-ray machine to be operated for the irradiation of a human being unless the x-ray machine, the location of the x-ray machine and the name and business address of the owner of the x-ray machine are registered with the Director.

Registration

(2) Upon the application of the owner of an x-ray machine and upon payment of the fee prescribed by the regulations, the Director shall register the x-ray machine, its location and the name and business address of the owner thereof.

Application

(3) An owner of an x-ray machine registered with the Director who changes his business address shall give written notice of the change to the Director within fifteen days of the occurrence of the change.

Notice of  
change

(4) An owner of an x-ray machine who is registered with the Ministry immediately before the coming into force of this Act shall be deemed to have registered with the Director under subsection 1.

Transitional

(5) The Director may require a person mentioned in subsection 4 to file with the Director plans, specifications and information in respect of the x-ray machine and its installation and every such person shall file the plans, specifications and information when so required.

Filing of  
material

**5.—(1)** No person shall operate an x-ray machine for the irradiation of a human being unless the person meets the qualifications and requirements prescribed by the regulations.

Use of  
x-ray  
machine

(2) The following persons shall be deemed to meet the qualifications prescribed by the regulations:

Persons  
deemed to  
be qualified

1. A legally qualified medical practitioner.
2. A member of the Royal College of Dental Surgeons of Ontario.



R.S.O. 1970,  
c. 70

3. A person registered as a chiropodist under *The Chiropody Act* on the 1st day of November, 1980.
4. A person registered as a chiropodist under *The Chiropody Act* after the 1st day of November, 1980, who is a graduate of a four-year course of instruction in chiropody accredited by the Council on Education of The Canadian Association of Chiropodists.

R.S.O. 1970,  
c. 137

5. A person registered as a chiropractor under *The Drugless Practitioners Act*.
6. A person registered as an osteopath under *The Drugless Practitioners Act*.

R.S.O. 1970,  
c. 399

7. A radiological technician registered under *The Radiological Technicians Act*.
8. A person registered as a dental hygienist by the Council of the Royal College of Dental Surgeons of Ontario.

Transitional

(3) Subsection 1 does not apply before the 1st day of January, 1984, or such later date as may be named by proclamation of the Lieutenant Governor in respect of a person who, prior to the coming into force of this section, was operating an x-ray machine for the irradiation of human beings.

Instructions  
required

**6.** No person shall operate an x-ray machine for the irradiation of a human being unless the irradiation has been prescribed by,

- (a) a legally qualified medical practitioner;
- (b) a member of the Royal College of Dental Surgeons of Ontario;
- (c) a person registered as a chiropodist under *The Chiropody Act* on the 1st day of November, 1980;
- (d) a person registered as a chiropodist under *The Chiropody Act* after the 1st day of November, 1980, who is a graduate of a four-year course of instruction in chiropody accredited by the Council on Education of The Canadian Association of Chiropodists;
- (e) a person registered as a chiropractor under *The Drugless Practitioners Act*; or
- (f) a person registered as an osteopath under *The Drugless Practitioners Act*.

R.S.O. 1970,  
c. 70

R.S.O. 1970  
c. 137

7. On and after the 1st day of January, 1984, or such later date as may be named by proclamation of the Lieutenant Governor, no person shall cause or permit any other person to operate an x-ray machine for the irradiation of a human being unless the other person meets the qualifications and requirements prescribed by the regulations.

Causing or  
permitting  
use of  
x-ray  
machine

8. No person shall operate an x-ray machine for the irradiation of a human being, unless the x-ray machine meets the standards prescribed by the regulations.

X-ray  
machine  
standards

9.—(1) The owner of an x-ray machine that is installed for the purpose of the irradiation of human beings shall designate a person who meets the qualifications prescribed by the regulations and who is,

Radiation  
protection  
officer

(a) a legally qualified medical practitioner;

(b) a member of the Royal College of Dental Surgeons of Ontario;

(c) a person registered as a chiropodist under *The Chiropody Act* on the 1st day of November, 1980;

R.S.O. 1970,  
c. 70

(d) a person registered under *The Chiropody Act* after the 1st day of November, 1980 who is a graduate of a four-year course of instruction in chiropody accredited by the Council of Education of The Canadian Association of Chiropodists;

(e) a person registered as a chiropractor under *The Drugless Practitioners Act*; or

R.S.O. 1970,  
c. 137

(f) a person registered as an osteopath under *The Drugless Practitioners Act*,

as the radiation protection officer for the facility in which the x-ray machine is installed.

(2) The owner of a portable x-ray machine shall designate a person who meets the qualifications prescribed by the regulations and who is described in clause *a, b, c, d, e* or *f* of subsection 1 as the radiation protection officer for the portable x-ray machine.

Idem,  
portable  
x-ray  
machine

(3) Subsection 2 does not apply in respect of a portable x-ray machine that is operated only in a facility for which a radiation protection officer has been appointed under subsection 1, but the radiation officer is responsible in respect of the portable x-ray machine in accordance with subsection 4.

Exception

Responsi-  
bilities

(4) A radiation protection officer for a facility is responsible,

- (a) for ensuring that every x-ray machine operated in the facility is maintained in safe operating condition; and
- (b) for such other matters related to the safe operation of each x-ray machine in the facility as are prescribed by the regulations.

Proposal  
to refuse  
to issue  
or to revoke  
an approval

**10.**—(1) Where the Director proposes to refuse to issue or to revoke an approval under section 3 for the installation or for a change in the installation of an x-ray machine, the Director shall serve notice of his proposal, together with written reasons therefor, on the applicant or the person to whom the approval was issued, as the case may be.

Notice

(2) A notice under subsection 1 shall inform the applicant or person to whom the approval was issued that he is entitled to a hearing by the Appeal Board if, within fifteen days after the notice under subsection 1 is served on him, he gives written notice to the Director and the Appeal Board requiring a hearing by the Appeal Board and he may so require such a hearing.

Powers of  
Appeal  
Board

(3) Where a hearing is required under subsection 2, the Appeal Board shall appoint a time for and hold the hearing and may direct the Director to carry out his proposal or refrain from carrying out his proposal and to take such action as the Appeal Board considers the Director ought to take in accordance with this Act and the regulations and, for such purposes, the Appeal Board may substitute its opinion for that of the Director.

Parties

**11.**—(1) The Director, the applicant or other person who has required the hearing and such other persons as the Appeal Board may specify are parties to proceedings before the Appeal Board under this Act.

Notice of  
hearing

(2) Notice of a hearing shall afford the applicant or other person who has required the hearing a reasonable opportunity to show or to achieve compliance before the hearing with all lawful requirements for the issue of the approval of the Director.

Examination  
of docu-  
mentary  
evidence

(3) Any party to proceedings under section 10 shall be afforded an opportunity to examine before the hearing any written or documentary evidence that will be produced or any report the contents of which will be given in evidence at the hearing.

Members  
holding  
hearing not  
to have  
taken part  
in investiga-  
tion, etc.

(4) Members of the Appeal Board holding a hearing shall not have taken part before the hearing in any investigation or consideration of the subject-matter of the hearing and shall not communicate directly or indirectly in relation to the subject-matter of

the hearing with any person or with any party or his representative except upon notice to and opportunity for all parties to participate, but the Appeal Board may seek legal advice from an adviser independent from the parties and in such case the nature of the advice shall be made known to the parties in order that they may make submissions as to the law.

(5) The oral evidence taken before the Appeal Board at a hearing shall be recorded and, if so required, copies of a transcript thereof shall be furnished upon the same terms as in the Supreme Court. Recording of evidence

(6) The findings of fact of the Appeal Board pursuant to a hearing shall be based exclusively on evidence admissible or matters that may be noticed under sections 15 and 16 of *The Statutory Powers Procedure Act, 1971*. Findings of fact  
1971, c. 47

(7) No member of the Appeal Board shall participate in a decision of the Appeal Board pursuant to a hearing unless he was present throughout the hearing and heard the evidence and argument of the parties and, except with the consent of the parties, no decision of the Appeal Board shall be given unless all members so present participate in the decision. Only members at hearing to participate in decision

(8) Documents and things put in evidence at a hearing shall, upon the request of the person who produced them, be released to him by the Appeal Board within a reasonable time after the matter in issue has been finally determined. Release of documentary evidence

**12.—**(1) Any party to the proceedings before the Appeal Board under this Act may appeal from its decision or order to the Supreme Court in accordance with the rules of court. Appeal to court

(2) Where any party appeals from a decision or order of the Appeal Board, the Appeal Board shall forthwith file in the Supreme Court the record of the proceedings before it in which the decision was made, which, together with the transcript of evidence if it is not part of the Appeal Board's record, shall constitute the record in the appeal. Record to be filed in court

(3) The Minister is entitled to be heard, by counsel or otherwise, upon the argument of an appeal under this section. Minister entitled to be heard

(4) An appeal under this section may be made on questions of law or fact or both and the court may affirm, alter or rescind the decision of the Appeal Board and may exercise all powers of the Appeal Board to direct the Director to take any action which the Appeal Board may direct him to take and as the court considers proper and for such purposes the court may substitute its opinion for that of the Director or of the Appeal Board, or the court may



refer the matter back to the Appeal Board for rehearing, in whole or in part, in accordance with such directions as the court considers proper.

Order by  
Director or  
inspector

**13.**—(1) The Director or an inspector may make a written order directed to any one or more of,

- (a) the owner of an x-ray machine;
- (b) any person who operates the x-ray machine; or
- (c) the radiation protection officer for the facility in which the machine is installed or, in the case of a portable x-ray machine, the radiation protection officer for the portable x-ray machine,

requiring the taking of such action as, in the opinion of the Director or inspector, upon reasonable and probable grounds, is necessary in order to achieve compliance with this Act or the regulations, or both, or is necessary or advisable to protect the health or safety of any patient or member of the public in or near the premises where the x-ray machine is operated.

Notice of  
proposal to  
make order

(2) The Director or the inspector who proposes to make an order under subsection 1 shall serve notice of the proposal, together with written reasons therefor, on the person to whom he proposes to direct the order.

Notice  
requiring  
hearing

(3) A notice under subsection 2 shall inform the person that he is entitled to a hearing by the Appeal Board if he gives notice in writing to the Director and the Appeal Board, within fifteen days after the notice under subsection 2 is served on him, requiring a hearing and he may so require such a hearing.

Power of  
Director or  
inspector  
where no  
hearing

(4) Where a person served with notice under subsection 2 does not require a hearing in accordance with subsection 3, the Director or inspector may carry out the proposal stated in his notice.

Powers of  
Appeal  
Board  
where  
hearing

(5) Where a hearing is required under subsection 3, the Appeal Board shall appoint a time for and hold the hearing and by order may direct the Director or the inspector to carry out his proposal or refrain from carrying out his proposal and to take such action as the Appeal Board considers the Director or the inspector ought to take in accordance with this Act and the regulations and, for such purposes, the Appeal Board may substitute its opinion for that of the Director or the inspector.

Application  
of  
ss. 11, 12

(6) Sections 11 and 12 apply with necessary modifications to proceedings under this section.

**14.—**(1) Where the Director or an inspector is of the opinion, upon reasonable and probable grounds, that an emergency exists by reason of danger to the health or safety of any patient or member of the public in respect of an x-ray machine or the installation, operation or maintenance of an x-ray machine, the Director or inspector may make an oral or written order directed to any one or more of,

Emergency  
order

- (a) the owner of the x-ray machine;
- (b) any person who operates the x-ray machine;
- (c) the radiation protection officer for the facility in which the x-ray machine is installed or, in the case of a portable x-ray machine, the radiation protection officer for the portable x-ray machine.

(2) An order under subsection 1 may require the person to whom it is directed to stop operating or stop the operation of the x-ray machine either permanently or for a specific period of time.

Contents  
of order

(3) A person affected by an order under subsection 1 may appeal therefrom in person or by an agent and by telephone or otherwise to the Director, and the Director, after receiving the submissions of the person and of the inspector, shall vary, rescind or confirm the order.

Immediate  
appeal

(4) Where the director makes an order under subsection 1 or varies or confirms an order under subsection 3, the Director shall forthwith thereafter serve a written copy of the order or the order as varied or confirmed, together with written reasons therefor, upon the person to whom the order is directed.

Written  
reasons  
for order

(5) An order under subsection 1 or an order as varied or confirmed under subsection 3 shall inform the person to whom it is directed that he is entitled to a hearing by the Appeal Board if he gives notice to the Director and the Appeal Board, within fifteen days after a copy of the order or the order as varied or confirmed is served on him, notice in writing requiring a hearing and he may so require such a hearing.

Notice

(6) Notwithstanding that an appeal is taken against an order under subsection 1 or an order as varied or confirmed under subsection 3, the order is effective at and from the time it is communicated to the person to whom it is directed until it is confirmed, varied or rescinded on appeal and the person shall comply with the order immediately.

Effect  
of order

(7) Where a hearing is required under subsection 5, the Appeal Board shall appoint a time for and hold the hearing and the Appeal Board by order may confirm, alter or rescind the order of

Powers  
of Appeal  
Board

the Director and for such purposes the Appeal Board may substitute its opinion for that of the Director.

Application of ss. 11, 12	(8) Sections 11 and 12 apply with necessary modifications to proceedings under this section.
Where order rescinded by Director	(9) The Director by an order may rescind an order made under subsection 1 or an order as varied or confirmed and in such case shall serve a copy of the order upon the person to whom the order or the order as varied or confirmed was directed.
Commission established	<b>15.—</b> (1) There is hereby established a commission to be known as the Healing Arts Radiation Protection Commission.
Composition	(2) The Commission shall be composed of five persons.
Disqualification	(3) No person who is or has been a member of the governing body of, or who is or has been registered under any Act governing a health discipline or a health practice, shall be a member of the Commission.
Chairman and vice-chairman	(4) The Lieutenant Governor in Council shall appoint the members of the Commission and shall designate a chairman and a vice-chairman from among the members of the Commission.
Terms of office	(5) The members of the Commission may be appointed for a term of one, two or three years and members may be reappointed, but in no case shall a member serve for more than six consecutive years.
Vacancy	(6) Every vacancy on the Commission caused by the death, resignation or incapacity of a member may be filled by the appointment by the Lieutenant Governor in Council of a person to hold office for the remainder of the term of the member.
Remuneration	(7) The members of the Commission shall be paid such remuneration and expenses as are determined by the Lieutenant Governor in Council.
Staff R.S.O. 1970, c. 386	(8) Such employees as are necessary to carry out the duties of the Commission shall be employed under <i>The Public Service Act</i> .
Duties of Commission	<b>16.—</b> (1) The Commission, (a) shall advise the Minister on matters relating to the health and safety of persons in respect of irradiation by x-rays; (b) is responsible for the continuing development of an X-ray Safety Code;

- (c) shall review the contents of courses in the operation of x-ray machines and x-ray equipment and approve the courses it considers satisfactory;
- (d) shall examine, study and report to the Minister on such matters, including health screening programs involving the use of x-rays, as the Minister may refer to the Commission for the purpose; and
- (e) shall perform such other duties as are assigned to it by or under this or any other Act.

(2) The Commission shall submit an annual report on its activities to the Minister which shall include such additional information as the Minister may require. <sup>Annual report</sup>

**17.**—(1) The Commission shall establish advisory committees to assist it in the continuing development of an X-ray Safety Code and to assist it in respect of safety in relation to irradiation from x-rays in each of the following disciplines: <sup>Advisory committees</sup>

1. Chiropody.
2. Chiropractic.
3. Dentistry.
4. Medical radiology.
5. Radiological technology.

(2) Subject to the approval of the Minister, the Commission may establish additional advisory committees to assist it in respect of safety in relation to irradiation from x-rays. <sup>Idem</sup>

(3) Subject to the approval of the Minister, the Commission shall fix the total number of members of each advisory committee established under subsection 1 or 2. <sup>Composition</sup>

(4) The members of an advisory committee appointed under subsection 1 or 2 may be paid such remuneration on a daily or other basis, and such necessary expenses, as may be fixed or approved by the Minister. <sup>Remuneration</sup>

**18.** Subject to the approval of the Minister, the Commission may engage scientific, technical and professional consultants in matters relating to protection from irradiation by x-rays. <sup>Professional and other assistance</sup>



Director  
of X-ray  
Safety

**19.** The Minister shall appoint an employee of the Ministry of Health as Director of X-ray Safety for the purposes of this Act and the regulations.

Inspectors

**20.**—(1) The Minister may appoint in writing one or more employees of the Ministry or other persons as inspectors for the purposes of this Act and the regulations and in an appointment may limit the authority of an inspector in such manner as the Minister considers necessary or advisable.

Certificate  
of  
appointment

(2) The Minister shall issue to every inspector appointed under subsection 1 a certificate of his appointment.

Production  
of  
certificate

(3) Every inspector, in the execution of his duties under this Act and the regulations, shall produce his certificate of appointment upon request.

Inspection

(4) An inspector at all reasonable times may enter and inspect the premises and may inspect the operations and all records and radiographs where an x-ray machine is installed or operated and may require the production of proof that any person who operates an x-ray machine meets the qualifications and requirements prescribed by the regulations to ensure that the provisions of this Act and the regulations are complied with.

Powers  
of  
inspector

(5) Upon an inspection under this section, an inspector is entitled to make tests and examinations to determine whether or not x-ray machines are installed and used in compliance with this Act and the regulations.

Copies

(6) Upon an inspection under this Act, an inspector, upon giving a receipt therefor, may remove any material that relates to the purpose of the inspection in order to make a copy thereof, but the copying shall be carried out with reasonable dispatch and the material in question shall be promptly thereafter returned to the person being inspected.

Admissibility  
of  
copies

(7) Any copy made as provided in subsection 6 and purporting to be certified by an inspector is admissible in evidence in any action, proceeding or prosecution as *prima facie* proof of the original.

Obstruction

(8) No person shall obstruct an inspector or withhold or destroy, conceal or refuse to furnish any information or thing required by the inspector for the purposes of an inspection.

Information  
confidential

**21.**—(1) Each member of the Commission, each employee of the Commission, each consultant engaged by the Commission, the

Director, each inspector appointed under this Act and each person engaged in the administration of this Act and the regulations shall preserve secrecy with respect to all matters that come to his knowledge in the course of his employment or duties pertaining to the health of any person and shall not communicate any such matter to any other person except as provided in this Act.

(2) A person referred to in subsection 1 may furnish information Exceptions pertaining to the health of a person,

- (a) in connection with the administration of this Act or any Act of Ontario or of Canada related to the delivery of health services or to safety in relation to irradiation from x-rays or regulations made thereunder;
- (b) in proceedings under this Act or the regulations;
- (c) to the person who provided a service to which the information is related, his solicitor or personal representative, the executor, administrator or committee of his estate, his trustee in bankruptcy or other legal representative; or
- (d) to the person who received the service to which the information is related, his solicitor, personal representative, another person who has lawful custody of or is guardian for the person or other legal representative of the person.

(3) The Director may communicate information of the kind referred to in subsection 2 and any other information related thereto to the statutory body governing the profession or to a professional association of which a person who provides a service referred to in subsection 2 is a member or governing the health practice practised by the person. Exception  
for  
professional  
discipline

**22.** The Lieutenant Governor in Council may make regulations, Regulations

- (a) prescribing any matter required or authorized by this Act to be, or referred to in this Act as, prescribed by the regulations;
- (b) prescribing classes of or in respect of any matter that is or may be prescribed under the regulations;
- (c) limiting the application of any regulation to any one or more of the classes prescribed under clause *b*;

- (d) exempting any class of persons, x-ray machines or facilities from any provision of this Act or the regulations and attaching conditions to any such exemption;
- (e) governing or limiting, or both, the purposes for which any class of persons may operate x-ray machines or any class of x-ray machines;
- (f) prescribing an X-ray Safety Code including,
  - (i) prescribing standards for the installation of x-ray machines,
  - (ii) prescribing standards for darkrooms and dark-room procedures associated with the operation of x-ray machines or any class of x-ray machines,
  - (iii) prescribing standards and procedures for the operation of x-ray machines and x-ray equipment or any class of x-ray machines or x-ray equipment,
  - (iv) prescribing physical standards for persons who operate x-ray machines or x-ray equipment,
  - (v) prescribing standards and procedures for the purpose of minimizing exposure to x-rays of patients and members of the public,
  - (vi) governing the testing of x-ray machines and x-ray equipment including, but not limited to, prescribing tests in respect of x-ray machines and x-ray equipment and requiring persons operating x-ray machines and x-ray equipment and radiation protection officers to perform the tests,
  - (vii) prescribing programs for evaluation of performance of procedures and observance of standards,
  - (viii) prescribing additional duties of radiation protection officers and persons who own or operate x-ray machines,
  - (ix) prescribing standards of design, construction, operation and performance for x-ray machines and x-ray equipment operated in Ontario,

- (x) requiring compliance with any matter prescribed or governed under subclauses i to ix;
- (g) governing the keeping of records by persons who own or operate x-ray machines and by radiation protection officers and requiring and governing returns by them to the Director;
- (h) prescribing classes of radiation protection officers and restricting or limiting the types of facilities or x-ray machines or both for which any such class may be designated as radiation protection officers;
- (i) prescribing subject-matters for courses of study in the operation of x-ray machines and x-ray equipment and prohibiting approval by the Commission of any course of study that does not include a subject-matter so prescribed for the course of study;
- (j) prescribing additional duties and powers of the Commission, the Director and inspectors;
- (k) prescribing forms and providing for their use;
- (l) adopting by reference, in whole or in part, with such changes as the Lieutenant Governor in Council considers necessary, any code or standard and requiring compliance with any code or standard that is so adopted;
- (m) prescribing fees for registrations and approvals.

**23.—(1)** Every person who,

Offences

- (a) knowingly furnishes false information in an application under this Act or in any statement or return required to be furnished under this Act or the regulations;
- (b) fails to comply with any order, direction or other requirement made under this Act; or
- (c) contravenes any provision of this Act or the regulations,

and every director or officer of a corporation who knowingly concurs in such furnishing, failure or contravention is guilty of an offence and on conviction is liable to a fine of not more than \$5,000.

(2) Where a corporation is convicted of an offence under sub- Corporations  
section 1, the maximum penalty that may be imposed upon the corporation is \$25,000 and not as provided therein.



Proceedings  
to prohibit  
continuation  
or  
repetition  
of  
contravention

**24.** Where any provision of this Act or the regulations or any order issued under this Act by the Director is contravened, notwithstanding any other remedy or any penalty imposed, the Director may apply to the Divisional Court by originating motion for an order prohibiting the continuation or repetition of the contravention or the carrying on of any activity specified in the order that, in the opinion of the court, will or is likely to result in the continuation or repetition of the contravention by the person committing the contravention, and the court may make the order and it may be enforced in the same manner as any other judgment of the Supreme Court.

Protection  
from  
personal  
liability

**25.—**(1) No action or other proceeding for damages shall be instituted against the Director or an inspector for any act done in good faith in the execution or intended execution of his duty or for any alleged neglect or default in the execution in good faith of his duty.

Crown not  
relieved of  
liability  
R.S.O. 1970,  
c. 365

(2) Subsection 1 does not, by reason of subsections 2 and 4 of section 5 of *The Proceedings Against the Crown Act*, relieve the Crown of liability in respect of a tort committed by an agent or servant of the Crown to which it would otherwise be subject and the Crown is liable under that Act for any such tort in a like manner as if subsection 1 had not been enacted.

Service

**26.—**(1) Any notice, order, decision or other document required to be given, served or delivered under this Act or the regulations is sufficiently given, served or delivered if delivered personally or sent by registered mail addressed to the person to whom it is required to be given, served or delivered at the latest address for service appearing on the records of the Ministry or, where there is no address for service so appearing, at the address, if any, last known to the Director.

When service  
deemed made

(2) Where service is made by registered mail in accordance with subsection 1, the service shall be deemed to be made on the seventh day after the day of mailing unless the person on whom service is being made establishes that he did not, acting in good faith, through absence, accident, illness or other cause beyond his control, receive the notice, order, decision or other document until a later date.

Commence-  
ment

**27.** This Act comes into force on a day to be named by proclamation of the Lieutenant Governor.

Short title

**28.** The short title of this Act is *The Healing Arts Radiation Protection Act, 1980*.



**An Act to provide for the Safe Use  
of X-ray Machines in the Healing Arts**

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*1st Reading*

November 3rd, 1980

*2nd Reading*

December 11th, 1980

*3rd Reading*

December 12th, 1980

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THE HON. D. R. TIMBRELL  
Minister of Health

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## BILL 178

Private Member's Bill

4TH SESSION, 31ST LEGISLATURE, ONTARIO  
29 ELIZABETH II, 1980

*Legislative Assembly*

**An Act to protect the Reputation of Innocent  
Persons from Untimely Publicity**

MR. STONG

TORONTO

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#### EXPLANATORY NOTE

The purpose of the Bill is to protect persons who have been charged with an offence from adverse publicity until such time as a court begins to hear evidence in the case or the person enters a plea of guilty to the offence.

The exceptions to the principle are occasioned when a person holding such public office is accused of committing a breach of a public trust or where a person accused of having committed an offence cannot be located and publication of the name of the person can reasonably be expected to assist in finding the person.

BILL 178

1980

## An Act to protect the Reputation of Innocent Persons from Untimely Publicity

**W**HEREAS the freedoms of speech and of press have been Preamble  
enshrined in legislation; and whereas there must be a proper  
balancing of the public's right to know with the obligation to  
report any occurrences objectively, fairly and accurately; and  
whereas it is recognized as an inherent principle of law and order  
and fundamental to the preservation of the freedom and dignity of  
every person that any person charged with a contravention of an  
enactment of the Legislative Assembly of the Province of Ontario  
or of the Parliament of Canada is innocent and so remains until  
proven guilty in accordance with due process of the law;

Therefore, Her Majesty, by and with the advice and consent of  
the Legislative Assembly of the Province of Ontario, enacts as  
follows:

**1.** No person shall publish or broadcast any report in Restriction  
on  
publication  
of name of  
accused  
person  
Ontario of an offence committed or alleged to have been commit-  
ted under the law of Ontario or Canada that contains the name of  
the person accused of committing the offence, the name of a  
relative of the accused person, or any other information that is  
reasonably likely to disclose the identity of the accused person  
until,

- (a) the trial of the person has commenced; and
- (b) the person has pleaded guilty to the offence; or
- (c) the court has begun to receive evidence in respect of the  
offence,

unless the accused person permits in writing such publication or  
broadcasting.

**2.** Section 1 does not apply,

Exceptions

- (a) to a person who is a public official accused of committing  
a fraud on or a breach of a public trust; or

(b) to a person accused of having committed an offence where the person cannot be located and publication of the name of the person can reasonably be expected to assist in finding the person.

Saving

**3.** Nothing in this Act shall be construed to prohibit the full, responsible and factual publishing or broadcasting of a report of any occurrence that does not disclose the identity of an accused person.

Offence

**4.—(1)** Every person who knowingly contravenes section 1 of this Act and every director or officer of a corporation who knowingly concurs in such contravention is guilty of an offence and on conviction is liable to a fine of not more than \$2,000.

Corporation

(2) Where a corporation is convicted of an offence under subsection 1, the maximum penalty that may be imposed upon the corporation is \$25,000 and not as provided therein.

Commence-  
ment

**5.** This Act comes into force on the day it receives Royal Assent.

Short title

**6.** The short title of this Act is *The Innocent Persons Protection Act, 1980*.









An Act to protect the Reputation of  
Innocent Persons from Untimely Publicity

*1st Reading*

November 3rd, 1980

*2nd Reading*

*3rd Reading*

MR. STONG

*(Private Member's Bill)*

4TH SESSION, 31ST LEGISLATURE, ONTARIO  
29 ELIZABETH II, 1980

*Legislative Assembly*

An Act to amend The Education Act, 1974

MR. DUKSZTA





#### EXPLANATORY NOTE

The purpose of the Bill is to provide for heritage language instruction in Ontario. The Bill sets forth a procedure for the establishment of heritage language programs in order that a heritage language may be taught as a language of instruction, as a subject of instruction or as a language of instruction for the purpose of transition to English or French. When a school board decides to institute a heritage language program, the Bill requires that a local heritage language advisory committee be established to provide continuing advice to the board concerning the nature and content of the heritage language program. In the case of a dispute between the board and the advisory committee, the Bill provides that the matter in dispute may be referred to the Minister for determination.

BILL 179

1980

## An Act to amend The Education Act, 1974

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. Clause *f* of subsection 1 of section 229 of *The Education Act, 1974*, s. 229 (1) (f), re-enacted being chapter 109, is repealed and the following substituted therefor:
  - (*f*) in instruction and in all communications with pupils in regard to discipline and the management of the school, to use English or another language that will be understood by the pupil, except in respect of a language that is being taught as one of the subjects in the course of study. Language of instruction

2. The said Act is amended by adding thereto the following Part: Part XI-A (ss. 271a-271g), enacted

### PART XI-A

#### HERITAGE LANGUAGE INSTRUCTION

- 271a. In this Part, Interpretation
- (a) “board” means a board of education, public school board, secondary school board or separate school board;
  - (b) “board area” means the area in which a board has jurisdiction;
  - (c) “heritage language” means a language other than English or French;
  - (d) “student” means any person who has a right to attend a school in a board area in which the person is qualified to be a resident pupil.

- 271b. The purpose of this Part is, Purpose

- (a) to provide students, where numbers warrant, with instruction in a heritage language to enable the students

to preserve or establish links with their heritage language communities;

- (b) to provide students, where numbers warrant, with the opportunity to study a heritage language as a subject of instruction in order to preserve or establish links with a heritage language community; and
- (c) to provide students, where numbers warrant, with instruction in a heritage language as a means of transition to learning and working in the English or French language.

Heritage  
language  
classes

271c.—(1) A board may establish and maintain classes for the purpose of providing a heritage language as a language of instruction, as a subject of instruction or as a language of instruction for the purpose of transition to English or French.

Heritage  
language as  
a language of  
instruction

(2) Where, after the first school day in September and on or before the first day of April next following, written evidence is presented to a board that a number of students resident in the board area whose mother tongue is a heritage language has elected to be taught in the heritage language as a language of instruction, the board shall forthwith determine whether students can be assembled for this purpose in one or more classes or groups of twenty or more and, where the board determines that such students can be so assembled, it shall provide the language as a language of instruction in such classes or groups.

Instruction  
in English  
or French

(3) English or French shall be a subject of instruction in all grades in which a heritage language is a language of instruction.

Heritage  
language as  
a subject of  
instruction

271d.—(1) Where, after the first school day in September and on or before the first day of April next following, written evidence is presented to a board that a number of students resident in the board area and directly related to a heritage language community has elected to be taught the heritage language as a subject of instruction, the board shall forthwith determine whether students can be assembled for this purpose in one or more classes of twenty or more and, where the board determines that such students can be so assembled, it shall provide the language as a subject of instruction in such classes or groups.

When classes  
to be held

(2) The board shall provide the heritage language as a curriculum subject for academic credit during the regular school day where the board determines that one or more classes or groups of twenty or more students can be assembled for the purpose and the board may establish such other classes at such times and locations as the board considers necessary to meet the needs of the heritage language community.

(3) Upon determining that a heritage language shall be taught as a subject of instruction, a board may permit students who have no direct relationship to the heritage language community to receive instruction in the language. Admission to classes

(4) For the purposes of this section, French shall be deemed to be a heritage language except where the number of English-speaking students of a board is fewer than the number of students of the board for whom French is the language of instruction, in which case English shall be deemed to be a heritage language. French, English as heritage languages

271e.—(1) Where, after the first school day in September and on or before the first day of April next following, written evidence is presented to a board that a number of students resident in the board area whose mother tongue is a heritage language has elected to be taught in the heritage language as a language of instruction for the purpose of transition to English or French, the board shall forthwith determine whether students can be assembled for this purpose in one or more classes or groups of twenty or more and, where the board determines that such students can be so assembled, it shall provide the language as a language of instruction in such classes or groups. Transition classes

(2) English or French shall be a subject of instruction in all grades in which a heritage language is a language of instruction. Instruction in English or French

271f.—(1) Where a board establishes, extends or decides to establish or extend a class, group or program in which a heritage language is a language of instruction, a subject of instruction or a language of instruction for the purpose of transition to English or French, the board shall, within two months of the establishment, extension or decision to establish or extend, by resolution, establish an advisory committee and provide for the holding of election of members thereof. Advisory committee

(2) The advisory committee is responsible for developing proposals designed to meet the educational and cultural needs of students and community members who speak or wish to study the heritage language and for such purpose may make recommendations in respect of, Recommendations

- (a) the establishment, operation and management of heritage language instructional programs;
- (b) the use of the heritage language and of the English and French languages in heritage language instructional programs;
- (c) the recruitment and appointment of the required teaching, supervisory and administrative personnel;



- (d) the establishment of the course of study and the use of textbooks;
- (e) the establishment of attendance areas for heritage language instructional programs;
- (f) the provision of transportation for pupils;
- (g) the entering into agreements with other boards in respect of the provision of instruction in the heritage language and supervising and consultative services;
- (h) the development and establishment of adult education programs;
- (i) the use of any facility and means necessary to meet the educational and cultural needs of the heritage language community;
- (j) the provision of summer school programs; and
- (k) any other matter pertaining to heritage language education.

Committee  
report to  
board

(3) The committee shall report at each regular meeting of the board.

Board to  
seek  
advice of  
committee

(4) The board shall seek the advice of the committee on all matters affecting the establishment, program, administration and termination of heritage language classes, groups or programs before any final decision regarding such matters is taken by the board.

Consider-  
ation of  
recommen-  
dations by  
board

(5) The board shall consider any recommendation submitted to it in writing by the committee and shall not refuse its approval without having given the committee an opportunity to be heard by the board or by any committee of the board to which such recommendation is referred and, where a board refuses a recommendation of the committee, it shall, within thirty days after receiving the recommendation of the committee, forward to the committee written reasons for its refusal.

Referral  
to  
Minister

271g.—(1) Upon receipt of a refusal and the reasons therefor under subsection 5 of section 271f, the committee may, by motion, refer the matter to the Minister, in which case it shall send to the Minister and to the board copies of the motion, the recommendation of the committee and the written reasons of the board for its refusal.

(2) When a matter is referred to the Minister, the board concerned shall defer action thereon until the matter has been resolved.

Deferral of  
action by  
board

(3) The Minister shall provide written reasons to the committee and the board in respect of a decision made on a matter referred to the Minister by the committee.

Written  
reasons

3. This Act comes into force on the day it receives Royal Assent.

Commence-  
ment

4. The short title of this Act is *The Education Amendment Act, 1980*.

Short title

An Act to amend  
The Education Act, 1974

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*1st Reading*

November 4th, 1980

*2nd Reading*

*3rd Reading*

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MR. DUKSZTA

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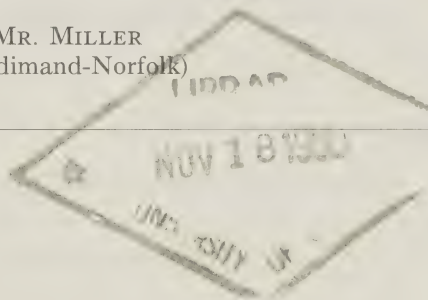
*(Private Member's Bill)*

4TH SESSION, 31ST LEGISLATURE, ONTARIO  
29 ELIZABETH II, 1980

*Legislative Assembly*

An Act respecting  
The Norfolk Board of Education and Teachers Dispute

MR. MILLER  
(Haldimand-Norfolk)



TORONTO

PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

(h) “teachers” means the secondary school teachers employed on permanent or probationary contracts by the board.

Resumption  
of employment  
and operation  
of schools

**2.—**(1) The teachers who are on strike against the board shall, on the first Tuesday following the day this Act comes into force, return to and resume their duties in accordance with their contracts of employment and written collective understandings in effect on the 31st day of August, 1979 with the board and the board shall, on the first Tuesday following the day this Act comes into force, resume the employment of such teachers in accordance with such contracts and written collective understandings and resume the normal operation of the schools in which the teachers are employed.

Strike or  
lock-out

(2) During the period from and including the first Tuesday following the day this Act comes into force until the day an agreement that is made between the parties or that includes the decision of the arbitrator comes into effect, no teacher shall take part in a strike against the board and the board shall not lock out a teacher.

Exception

(3) Nothing in this Act precludes a teacher from not returning to and resuming his duties with the board for reasons of health or by mutual consent in writing of the teacher and the board.

Final offer  
selection

**3.—**(1) The parties shall be deemed to have agreed,

1975, c. 72

(a) to refer all matters remaining in dispute between them that may be provided for in an agreement under *The School Boards and Teachers Collective Negotiations Act, 1975* to a selector for determination under and in accordance with Part V of that Act; and

(b) to not withdraw from the proceedings.

Notice of  
appointment  
of selector

(2) The parties, within seven days after the day this Act comes into force, shall jointly give written notice to the Commission stating,

(a) the date of appointment and the name and address of the selector; or

(b) that the parties have not appointed the selector and that the parties request the Commission to appoint the selector.

Appointment  
of selector  
by  
Commission

(3) Where the parties fail to give a notice to the Commission in accordance with subsection 2 or where the parties request the Commission to appoint the selector, the Commission shall make



the appointment and give notice of the appointment of the selector to the parties and the notice shall set out the name and address of the person appointed and the date of the appointment.

(4) Except as otherwise provided in this Act, *The School Boards and Teachers Collective Negotiations Act, 1975* Application of 1975, c. 72 applies to the selector, to the proceedings conducted before him, to the parties and to the teachers.

4.—(1) Notwithstanding subsection 1 of section 51 of *The School Boards and Teachers Collective Negotiations Act, 1975*, Term of agreement 1975, c. 72 the agreement giving effect to all matters agreed upon by the parties and the decision of the selector shall be for the period commencing on the 1st day of September, 1979 and expiring on the 31st day of August, 1980.

(2) The Commission may, with the concurrence of the selector and the parties, reduce any period of time referred to in section 41, 42, 44, 45 or 48 of *The School Boards and Teachers Collective Negotiations Act, 1975*. Reduction of time period

5.—(1) Every person or party that contravenes any of the provisions of this Act is guilty of an offence. Offences

(2) The provisions of *The School Boards and Teachers Collective Negotiations Act, 1975* respecting offences and penalties and the procedures relating thereto apply in respect of a contravention of any provision of this Act. Idem

6. This Act comes into force on the day it receives Royal Assent. Commencement

7. The short title of this Act is *The Norfolk Board of Education and Teachers Dispute Resolution Act, 1980*. Short title





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An Act respecting  
The Norfolk Board of Education  
and Teachers Dispute

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*1st Reading*

November 6th, 1980

*2nd Reading*

*3rd Reading*

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MR. MILLER  
(Haldimand-Norfolk)

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*(Private Member's Bill)*

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4TH SESSION, 31ST LEGISLATURE, <sup>1</sup>ONTARIO  
29 ELIZABETH II, 1980

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*2/1/80*

An Act to stay the Execution of certain Writs of Possession  
issued in respect of certain Premises on Toronto Islands

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THE HON. T. L. WELLS  
Minister of Intergovernmental Affairs

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EXPLANATORY NOTE

Self-explanatory.

BILL 181

1980

**An Act to stay the Execution of  
certain Writs of Possession issued in respect  
of certain Premises on Toronto Islands**

**H**ER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

**1.**—(1) The execution of the writs of possession issued pursuant to the orders of His Honour Judge George Ferguson of the County Court of the Judicial District of York, made on the 24th day of October, 1977 under the authority of *The Landlord and Tenant Act* in respect of the premises listed in the Schedule to this Act, shall be stayed during the period from the 13th day of November, 1980 until the 1st day of July, 1981.

Stay of execution of writs of possession listed in Schedule R.S.O. 1970, c. 236

(2) During the period of the stay referred to in subsection 1, no further writs of possession shall be issued or executed for the recovery of possession by The Municipality of Metropolitan Toronto in respect of premises listed in the Schedule.

Further writs of possession for same lands

(3) After the expiration of the period of the stay referred to in subsection 1, each writ of possession referred to in subsection 1 remains valid and effective for the purpose of the recovery of possession of the premises named in the writ, notwithstanding that the occupier is a person other than the person named in the writ and that no new order has been made for a writ of possession or no new writ of possession has been issued in respect of the premises.

Change of occupier

**2.** This Act comes into force on the day it receives Royal Assent.

Commencement

**3.** The short title of this Act is *The Toronto Islands Act, 1980*.

Short title

## SCHEDULE

Premises on Toronto Islands in The Municipality of Metropolitan Toronto.

<i>Street</i>	<i>Municipal No.</i>	<i>Street</i>	<i>Municipal No.</i>
Bayview	22	Fifth	23
Bayview	24	Fifth	24
Bayview	26	Fifth	25
Bayview	28	First	2
Bayview	30	First	4
Bayview	32	First	6
Bayview	34	First	8
Channel	1	First	10
Channel	3	First	12
Channel	4	First	14
Channel	5	First	16
Channel	6	Fourth	1
Channel	7	Fourth	2
Channel	8	Fourth	3
Channel	9	Fourth	4
Channel	10	Fourth	5
Channel	11	Fourth	6
Channel	12	Fourth	8
Channel	13	Fourth	9
Channel	14	Fourth	10
Channel	15	Fourth	11
Channel	16	Fourth	12
Channel	18	Fourth	14
Dacotah	1	Fourth	15
Dacotah	2	Fourth	16
Dacotah	3	Fourth	17
Dacotah	4	Fourth	18
Dacotah	5	Fourth	19
Dacotah	6	Fourth	20
Dacotah	7	Fourth	21
Dacotah	8	Fourth	22
Dacotah	9	Fourth	23
Dacotah	10	Fourth	24
Dacotah	11	Fourth	25
Dacotah	12	Fourth	26
Dacotah	13	Lakeshore	2
Dacotah	14	Lakeshore	6
Dacotah	15	Lakeshore	8
Dacotah	16	Lakeshore	10
Dacotah	17	Lakeshore	12
Dacotah	18	Lakeshore	14
Fifth	1	Lakeshore	16
Fifth	3	Lakeshore	18
Fifth	5	Lakeshore	20
Fifth	9	Lakeshore	22
Fifth	11	Lakeshore	24
Fifth	13	Lakeshore	26
Fifth	14	Lakeshore	28
Fifth	15	Lakeshore	30
Fifth	16	Lakeshore	32
Fifth	17	Lakeshore	34
Fifth	18	Lakeshore	36
Fifth	19	Lakeshore	38
Fifth	20	Lakeshore	40
Fifth	22	Lenore	1

<i>Street</i>	<i>Municipal No.</i>	<i>Street</i>	<i>Municipal No.</i>
Lenore	2	Nottawa	14
Lenore	3	Second	1
Ojibway	1	Second	2
Ojibway	2	Second	3
Ojibway	3	Second	4
Ojibway	4	Second	5
Ojibway	5	Second	6
Ojibway	6	Second	7
Ojibway	7	Second	8
Ojibway	8	Second	12
Ojibway	9	Second	14
Ojibway	10	Second	15
Ojibway	11	Second	16
Ojibway	12	Seneca	1
Ojibway	13	Seneca	3
Ojibway	14	Seneca	5
Ojibway	16	Seneca	7
Omaha	2	Seneca	9
Omaha	8	Seneca	11
Omaha	10	Seneca	13
Omaha	12	Seneca	15
Omaha	14	Seneca	17
Omaha	16	Seneca	19
Omaha	18	Seneca	21
Omaha	20	Seneca	23
Omaha	22	Seneca	25
Omaha	24	Seneca	29
Omaha	26	Seneca	31
Omaha	28	Seneca	33
Omaha	30	Seneca	35
Omaha	32	Sixth	15
Omaha	34	Sixth	17
Omaha	36	Sixth	19
Oneida	1	Sixth	21
Oneida	2	Sixth	23
Oneida	3	Sixth	25
Oneida	4	Third	2
Oneida	5	Third	4
Oneida	6	Third	5
Oneida	7	Third	6
Oneida	8	Third	7
Oneida	9	Third	8
Oneida	10	Third	9
Oneida	11	Third	10
Oneida	12	Third	11
Oneida	13	Third	12
Oneida	14	Third	13
Oneida	15	Third	14
Oneida	16	Third	15
Oneida	18	Third	16
Nottawa	1	Third	17
Nottawa	2	Third	18
Nottawa	3	Third	19
Nottawa	4	Third	20
Nottawa	5	Third	21
Nottawa	6	Third	22
Nottawa	7	Third	23
Nottawa	8	Third	24
Nottawa	9	Third	25
Nottawa	12	Third	26

<i>Street</i>	<i>Municipal No.</i>
Third	27
Third	29
Willow	1
Willow	2
Willow	3
Willow	5
Willow	7
Willow	9
Willow	11
Withrow	2
Withrow	4

<i>Street</i>	<i>Municipal No.</i>
Withrow	10 and 20
Wyandot	1
Wyandot	3
Wyandot	5
Wyandot	7
Wyandot	9
Wyandot	11
Wyandot	13
Wyandot	15
Wyandot	17
Wyandot	18





An Act to stay the Execution of certain  
Writs of Possession issued in respect of  
certain Premises on Toronto Islands

---

*1st Reading*

November 13th, 1980

*2nd Reading*

*3rd Reading*

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THE HON. T. L. WELLS  
Minister of Intergovernmental Affairs

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*(Government Bill)*

**BILL 181**

4TH SESSION, 31ST LEGISLATURE, <sup>1</sup>ONTARIO  
29 ELIZABETH II, 1980<sup>2</sup>

*Legislative Assembly*

**An Act to stay the Execution of certain Writs of Possession  
issued in respect of certain Premises on Toronto Islands**

THE HON. T. L. WELLS  
Minister of Intergovernmental Affairs



TORONTO

PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO



BILL 181

1980

**An Act to stay the Execution of  
certain Writs of Possession issued in respect  
of certain Premises on Toronto Islands**

**H**ER MAJESTY, by and with the advice and consent  
of the Legislative Assembly of the Province of Ontario,  
enacts as follows:

**1.**—(1) The execution of the writs of possession issued pursuant to the orders of His Honour Judge George Ferguson of the County Court of the Judicial District of York, made on the 24th day of October, 1977 under the authority of *The Landlord and Tenant Act* in respect of the premises listed in the Schedule to this Act, shall be stayed during the period from the 13th day of November, 1980 until the 1st day of July, 1981.

Stay of  
execution  
of writs of  
possession  
listed in  
Schedule  
R.S.O. 1970,  
c. 236

(2) During the period of the stay referred to in subsection 1, no further writs of possession shall be issued or executed for the recovery of possession by The Municipality of Metropolitan Toronto in respect of premises listed in the Schedule.

Further  
writs of  
possession  
for same  
lands

(3) After the expiration of the period of the stay referred to in subsection 1, each writ of possession referred to in subsection 1 remains valid and effective for the purpose of the recovery of possession of the premises named in the writ, notwithstanding that the occupier is a person other than the person named in the writ and that no new order has been made for a writ of possession or no new writ of possession has been issued in respect of the premises.

Change of  
occupier

**2.** This Act comes into force on the day it receives Royal Assent.

Commence-  
ment

**3.** The short title of this Act is *The Toronto Islands Act, 1980*.

Short title



## SCHEDULE

Premises on Toronto Islands in The Municipality of Metropolitan Toronto.

<i>Street</i>	<i>Municipal No.</i>	<i>Street</i>	<i>Municipal No.</i>
Bayview	22	Fifth	23
Bayview	24	Fifth	24
Bayview	26	Fifth	25
Bayview	28	First	2
Bayview	30	First	4
Bayview	32	First	6
Bayview	34	First	8
Channel	1	First	10
Channel	3	First	12
Channel	4	First	14
Channel	5	First	16
Channel	6	Fourth	1
Channel	7	Fourth	2
Channel	8	Fourth	3
Channel	9	Fourth	4
Channel	10	Fourth	5
Channel	11	Fourth	6
Channel	12	Fourth	8
Channel	13	Fourth	9
Channel	14	Fourth	10
Channel	15	Fourth	11
Channel	16	Fourth	12
Channel	18	Fourth	14
Dacotah	1	Fourth	15
Dacotah	2	Fourth	16
Dacotah	3	Fourth	17
Dacotah	4	Fourth	18
Dacotah	5	Fourth	19
Dacotah	6	Fourth	20
Dacotah	7	Fourth	21
Dacotah	8	Fourth	22
Dacotah	9	Fourth	23
Dacotah	10	Fourth	24
Dacotah	11	Fourth	25
Dacotah	12	Fourth	26
Dacotah	13	Lakeshore	2
Dacotah	14	Lakeshore	6
Dacotah	15	Lakeshore	8
Dacotah	16	Lakeshore	10
Dacotah	17	Lakeshore	12
Dacotah	18	Lakeshore	14
Fifth	1	Lakeshore	16
Fifth	3	Lakeshore	18
Fifth	5	Lakeshore	20
Fifth	9	Lakeshore	22
Fifth	11	Lakeshore	24
Fifth	13	Lakeshore	26
Fifth	14	Lakeshore	28
Fifth	15	Lakeshore	30
Fifth	16	Lakeshore	32
Fifth	17	Lakeshore	34
Fifth	18	Lakeshore	36
Fifth	19	Lakeshore	38
Fifth	20	Lakeshore	40
Fifth	22	Lenore	1

<i>Street</i>	<i>Municipal No.</i>	<i>Street</i>	<i>Municipal No.</i>
Lenore	2	Nottawa	14
Lenore	3	Second	1
Ojibway	1	Second	2
Ojibway	2	Second	3
Ojibway	3	Second	4
Ojibway	4	Second	5
Ojibway	5	Second	6
Ojibway	6	Second	7
Ojibway	7	Second	8
Ojibway	8	Second	12
Ojibway	9	Second	14
Ojibway	10	Second	15
Ojibway	11	Second	16
Ojibway	12	Seneca	1
Ojibway	13	Seneca	3
Ojibway	14	Seneca	5
Ojibway	16	Seneca	7
Omaha	2	Seneca	9
Omaha	8	Seneca	11
Omaha	10	Seneca	13
Omaha	12	Seneca	15
Omaha	14	Seneca	17
Omaha	16	Seneca	19
Omaha	18	Seneca	21
Omaha	20	Seneca	23
Omaha	22	Seneca	25
Omaha	24	Seneca	29
Omaha	26	Seneca	31
Omaha	28	Seneca	33
Omaha	30	Seneca	35
Omaha	32	Sixth	15
Omaha	34	Sixth	17
Omaha	36	Sixth	19
Oneida	1	Sixth	21
Oneida	2	Sixth	23
Oneida	3	Sixth	25
Oneida	4	Third	2
Oneida	5	Third	4
Oneida	6	Third	5
Oneida	7	Third	6
Oneida	8	Third	7
Oneida	9	Third	8
Oneida	10	Third	9
Oneida	11	Third	10
Oneida	12	Third	11
Oneida	13	Third	12
Oneida	14	Third	13
Oneida	15	Third	14
Oneida	16	Third	15
Oneida	18	Third	16
Nottawa	1	Third	17
Nottawa	2	Third	18
Nottawa	3	Third	19
Nottawa	4	Third	20
Nottawa	5	Third	21
Nottawa	6	Third	22
Nottawa	7	Third	23
Nottawa	8	Third	24
Nottawa	9	Third	25
Nottawa	12	Third	26

<i>Street</i>	<i>Municipal No.</i>
Third	27
Third	29
Willow	1
Willow	2
Willow	3
Willow	5
Willow	7
Willow	9
Willow	11
Withrow	2
Withrow	4

<i>Street</i>	<i>Municipal No.</i>
Withrow	10 and 20
Wyandot	1
Wyandot	3
Wyandot	5
Wyandot	7
Wyandot	9
Wyandot	11
Wyandot	13
Wyandot	15
Wyandot	17
Wyandot	18



An Act to stay the Execution of certain  
Writs of Possession issued in respect of  
certain Premises on Toronto Islands

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*1st Reading*

November 13th, 1980

*2nd Reading*

November 14th, 1980

*3rd Reading*

November 14th, 1980

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THE HON. T. L. WELLS  
Minister of Intergovernmental Affairs

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4TH SESSION, 31ST LEGISLATURE, ONTARIO  
29 ELIZABETH II, 1980

An Act to amend  
The Municipality of Metropolitan Toronto Act

THE HON. T. L. WELLS  
Minister of Intergovernmental Affairs

## EXPLANATORY NOTES

SECTION 1. The effect of the re-enactment is to confer on the councils of area municipalities, in respect of roads under their jurisdiction, the same authority regarding reserved lanes for public transit vehicles as the Metropolitan Council now has in respect of metropolitan roads and to expand the definition of "public transit motor vehicle" so as to permit the inclusion of classes of transit motor vehicles other than those operated by the T.T.C.

SECTION 2. The new clause *g* confers on the Toronto Transit Commission the powers therein set out.

SECTION 3. The subsections proposed to be added authorize the Metropolitan Council, by by-law, to delegate to a department head or other named official the powers of the Council under the provisions of *The Municipal Act* mentioned in respect of the granting of approvals and the issuing and revoking of permits. The delegation will be subject to such terms and conditions as the Metropolitan Council specifies in the by-law and any person objecting to a decision of the department head or other official is entitled to a hearing by the Council which may confirm, rescind or vary the decision objected to. The provisions of *The Municipal Act* that are mentioned deal with the following subjects:

- 354(1) par.93 — buildings encroaching on highways.
- 354(1) par.94 — permit for the use of highway during building operations.
- 354(1) par.95 — projections encroaching on highways.
- 354(1) par.96 — encroachment on highway for building refacing.
- 453(3) — maintenance and use of objects in, over or under sidewalks and highways.
- 457(2) — person planting trees on highway.
- 457(4) cl.*a* — planting shade trees on highways.
- 457(4) cl.*c* — planting shade trees by municipality adjacent to highways on private property.

BILL 182

1980

## An Act to amend The Municipality of Metropolitan Toronto Act

**H**ER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. Section 79a of *The Municipality of Metropolitan Toronto Act*, being <sup>s. 79a,</sup> chapter 295 of the Revised Statutes of Ontario, 1970, as re-enacted <sup>re-enacted</sup> by the Statutes of Ontario, 1976, chapter 42, section 6, is repealed and the following substituted therefor:

79a. The Metropolitan Council and the council of any area <sup>Reserved</sup> municipality may by by-law designate any lane on any road over <sup>lanes for</sup> which it has jurisdiction as a lane solely or principally for use by <sup>public transit</sup> public transit motor vehicles, taxicabs and private motor vehicles <sup>motor vehicles,</sup> carrying such number of passengers as may be specified in the <sup>etc.</sup> by-law and prohibit and regulate the use thereof by all other vehicles to such extent and for such period or periods as may be specified, and, for the purposes of this section, "public transit motor vehicle" means any motor vehicle owned and operated by the Toronto Transit Commission as part of its regular passenger transportation service and such other class or classes of transit motor vehicles as may be specified in the by-law.

2. Subsection 1 of section 105 of the said Act is amended by adding <sup>s. 105 (1),</sup> thereto the following clause: <sup>amended</sup>

(g) To engage in the business of providing consulting services in transit related matters within or outside the Metropolitan Area, either directly or through a subsidiary, provided that the investment by the Commission in the capital stock of the subsidiary, shall not exceed the sum of \$100,000 without the consent of the Metropolitan Council.

3. Section 241 of the said Act, as amended by the Statutes of Ontario, <sup>s. 241,</sup> 1977, chapter 37, section 4, 1979, chapter 64, section 19 and 1979, <sup>amended</sup> chapter 90, section 5, is further amended by adding thereto the following subsections:

Delegation  
of powers of  
Metropolitan  
Council

(11) Notwithstanding any provision in this or any other Act, the Metropolitan Council may, by by-law, authorize the head of a department or other official thereof, subject to such terms and conditions as the by-law specifies, to exercise the powers of the Metropolitan Council under paragraphs 93, 94, 95 and 96 of subsection 1 of section 354, subsection 3 of section 453 and subsection 2 and clauses *a* and *c* of subsection 4 of section 457 of *The Municipal Act*.

R.S.O. 1970,  
c. 284

Hearing by  
Metropolitan  
Council

(12) Where any applicant, resident or ratepayer objects to the decision or approval of the department head or other official described in subsection 11, the Metropolitan Council shall afford that person an opportunity to be heard and the Metropolitan Council may confirm, rescind, change, alter or vary any such decision or approval.

Commence-  
ment

4. This Act comes into force on the day it receives Royal Assent.

Short title

5. The short title of this Act is *The Municipality of Metropolitan Toronto Amendment Act, 1980*.









An Act to amend  
The Municipality of  
Metropolitan Toronto Act

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*1st Reading*

November 13th, 1980

*2nd Reading*

*3rd Reading*

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THE HON. T. L. WELLS  
Minister of Intergovernmental Affairs

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*(Government Bill)*

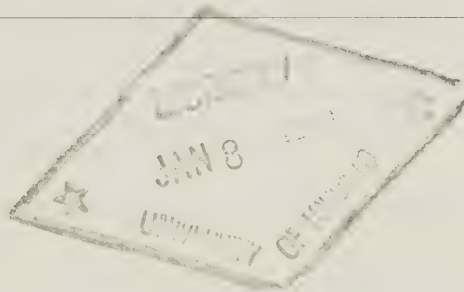
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**BILL 182**

4TH SESSION, 31ST LEGISLATURE, ONTARIO  
29 ELIZABETH II, 1980

**An Act to amend  
The Municipality of Metropolitan Toronto Act**

THE HON. T. L. WELLS  
Minister of Intergovernmental Affairs



TORONTO

PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO



BILL 182

1980

## An Act to amend The Municipality of Metropolitan Toronto Act

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. Section 79a of *The Municipality of Metropolitan Toronto Act*, being <sup>s. 79a,</sup> chapter 295 of the Revised Statutes of Ontario, 1970, as re-enacted <sup>re-enacted</sup> by the Statutes of Ontario, 1976, chapter 42, section 6, is repealed and the following substituted therefor:

79a. The Metropolitan Council and the council of any area municipality may by by-law designate any lane on any road over which it has jurisdiction as a lane solely or principally for use by public transit motor vehicles, taxicabs and private motor vehicles carrying such number of passengers as may be specified in the by-law and prohibit and regulate the use thereof by all other vehicles to such extent and for such period or periods as may be specified, and, for the purposes of this section, "public transit motor vehicle" means any motor vehicle owned and operated by the Toronto Transit Commission as part of its regular passenger transportation service and such other class or classes of transit motor vehicles as may be specified in the by-law. <sup>Reserved lanes for public transit motor vehicles, etc.</sup>

2. Subsection 1 of section 105 of the said Act is amended by adding <sup>s. 105 (1),</sup> thereto the following clause: <sup>amended</sup>

(g) To engage in the business of providing consulting services in transit related matters within or outside the Metropolitan Area, either directly or through a subsidiary, provided that the investment by the Commission in the capital stock of the subsidiary, shall not exceed the sum of \$100,000 without the consent of the Metropolitan Council.

3. Section 241 of the said Act, as amended by the Statutes of Ontario, <sup>s. 241,</sup> 1977, chapter 37, section 4, 1979, chapter 64, section 19 and 1979, <sup>amended</sup> chapter 90, section 5, is further amended by adding thereto the following subsections:

Delegation  
of powers of  
Metropolitan  
Council

R.S.O. 1970,  
c. 284

Hearing by  
Metropolitan  
Council

Commence-  
ment

Short title

(11) Notwithstanding any provision in this or any other Act, the Metropolitan Council may, by by-law, authorize the head of a department or other official thereof; subject to such terms and conditions as the by-law specifies, to exercise the powers of the Metropolitan Council under paragraphs 93, 94, 95 and 96 of subsection 1 of section 354, subsection 3 of section 453 and subsection 2 and clauses *a* and *c* of subsection 4 of section 457 of *The Municipal Act*.

(12) Where any applicant, resident or ratepayer objects to the decision or approval of the department head or other official described in subsection 11, the Metropolitan Council shall afford that person an opportunity to be heard and the Metropolitan Council may confirm, rescind, change, alter or vary any such decision or approval.

4. This Act comes into force on the day it receives Royal Assent.
5. The short title of this Act is *The Municipality of Metropolitan Toronto Amendment Act, 1980*.









An Act to amend  
The Municipality of  
Metropolitan Toronto Act

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*1st Reading*

November 13th, 1980

*2nd Reading*

December 2nd, 1980

*3rd Reading*

December 10th, 1980

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THE HON. T. L. WELLS  
Minister of Intergovernmental Affairs

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4TH SESSION, 31ST LEGISLATURE, ONTARIO  
29 ELIZABETH II, 1980

*Legislative Assembly*

An Act to amend The Dog Licensing and  
Live Stock and Poultry Protection Act

THE HON. L. C. HENDERSON  
Minister of Agriculture and Food



#### EXPLANATORY NOTE

Subsections 2 and 3 of section 19 of the Act deal with compensation for the killing or injuring of live stock or poultry by wolves in territory without municipal organization.

The subsections are re-enacted to constitute agricultural representatives and assistant agricultural representatives valuers in territory without municipal organization and to set out in detail and expand the procedures for determining the amount of compensation payable. At present, such procedures are incorporated by reference to certain subsections of section 14 of the Act.



BILL 183

1980

## An Act to amend The Dog Licensing and Live Stock and Poultry Protection Act

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. Subsections 2 and 3 of section 19 of *The Dog Licensing and Live Stock and Poultry Protection Act*, being chapter 133 of the Revised Statutes of Ontario, 1970, as enacted by the Statutes of Ontario, 1974, chapter 94, section 5, are repealed and the following substituted therefor:
  - (2) For the purposes of this section, every agricultural representative and every assistant agricultural representative is *ex officio* a valuer in territory without municipal organization. s. 19 (2, 3), re-enacted
  - (3) Where, in territory without municipal organization, live stock or poultry are killed or injured by a wolf, the Commissioner may pay compensation to the owner of the live stock or poultry for the amount of the damage determined in accordance with this section. Valuers in unorganized territory  
Payment of compensation
  - (4) Where, in territory without municipal organization, the owner of live stock or poultry discovers that any of his live stock or poultry has been killed or injured and to the best of his knowledge and belief such killing or injuring was done by a wolf, he shall immediately notify a valuer, and such valuer shall immediately make full investigation and shall make his report in writing within ten days thereafter to the Commissioner giving in detail the extent and amount of the damage and his award therefor, and he shall at the same time forward a copy of such report to the owner of the live stock or poultry. Investigation and report by valuer
  - (5) Where the owner of live stock or poultry notifies a valuer under subsection 4, he shall, within ten days, file with the Commissioner an affidavit that to the best of his knowledge and belief the live stock or poultry were killed or injured by a wolf. Affidavit of owner
  - (6) Where the valuer finds evidence that to the best of his knowledge and belief shows, Denial of liability

- (a) that any of the live stock or poultry was not killed or injured by a wolf; or
- (b) that the owner had not taken reasonable care to prevent the killing or injuring of his live stock or poultry by wolves,

the valuer shall include in his report to the Commissioner and to the owner of the live stock or poultry a statement of his belief and shall make forthwith a further report to the Commissioner giving particulars of the evidence found, and the Commissioner may thereupon deny liability in whole or in part by written notice given by the Commissioner to the owner of the live stock or poultry within thirty days after the filing of his affidavit with the Commissioner.

Report

(7) The valuer shall include in his report a finding as to whether the live stock or poultry were killed or injured by wolves.

Damages  
limited

(8) The amount of damage incurred by an owner shall not include damage incurred under the circumstances set out in clause *a* or *b* of subsection 6 and for which the Commissioner has denied liability in accordance with subsection 6.

Where  
carcass  
not to be  
destroyed

(9) No owner of live stock or poultry shall destroy or permit to be destroyed the carcass of any live stock or poultry reported killed under subsection 4 until the carcass has been seen by the valuer.

Appeal to  
Commissioner

(10) Where the owner of live stock or poultry is dissatisfied with the report of the valuer made under subsection 4, the owner may appeal to the Commissioner who shall name a valuer, and the valuer so named shall make a further investigation and report.

Time for  
appeal;  
deposit

(11) Such appeal shall be made within thirty days after the making of the report to the Commissioner by the valuer under subsection 4, and \$25 shall be deposited with the Commissioner at the time of making the appeal to be forfeited to the Crown if the report of the valuer is sustained on an appeal under this section.

Report of  
valuer  
appointed by  
Commissioner

(12) A copy of the report of a valuer named by the Commissioner under subsection 10 shall be forwarded by the Commissioner as soon as practicable to the owner of the live stock or poultry.

Idem

(13) A valuer named by the Commissioner under subsection 10 shall, where applicable, include in his report a statement of his belief that the amount of damage to live stock or poultry includes damage incurred under the circumstances set out in clause *a* or *b* of subsection 6, and the Commissioner may thereupon deny liability in whole or in part by written notice given by him to the owner of

the live stock or poultry within thirty days after the receipt of the report of the valuer.

(14) Where the owner of live stock or poultry is dissatisfied with the report of the valuer made under subsection 10, the owner may, within thirty days after receipt of the report, appeal to a judge of the district court of the district in which he resides, and the judge may determine liability and, subject to subsection 15, the amount payable to the owner.

(15) No compensation shall be paid to an owner in excess of the maximum amount prescribed for live stock or poultry in the regulations made for the purposes of subsection 13 of section 14.

2. This Act comes into force on the day it receives Royal Assent.
3. The short title of this Act is *The Dog Licensing and Live Stock and Poultry Protection Amendment Act, 1980*.





An Act to amend  
The Dog Licensing and Live Stock  
and Poultry Protection Act

*1st Reading*

November 13th, 1980

*2nd Reading*

*3rd Reading*

THE HON. L. C. HENDERSON  
Minister of Agriculture and Food

*(Government Bill)*



3  
BILL 184

Government Bill

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4TH SESSION, 31ST LEGISLATURE, ONTARIO  
29 ELIZABETH II, 1980  
*Legislative Council*

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An Act respecting the  
Marketing of Sheep and Wool

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THE HON. L. C. HENDERSON  
Minister of Agriculture and Food

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TORONTO

PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

#### EXPLANATORY NOTE

The purpose of the Bill is to extend the application of *The Wool Marketing Act, 1974* to the production and marketing of sheep that are sold for the production of meat.

BILL 184

1980

## An Act respecting the Marketing of Sheep and Wool

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

### 1. In this Act,

Interpre-  
tation

- (a) “Association” means The Ontario Sheep Association incorporated under *The Agricultural Associations Act*; R.S.O. 1970,  
c. 8
- (b) “buyer” means a person engaged in buying sheep or wool from producers of sheep or wool in Ontario;
- (c) “inspector” means an inspector appointed for the purposes of this Act;
- (d) “licence” means a licence issued under this Act;
- (e) “Minister” means the Minister of Agriculture and Food;
- (f) “regulations” means the regulations made under this Act;
- (g) “sheep” includes rams, ewes and lambs but does not include sheep that are not sold for the production of meat.

2.—(1) The purpose and intent of this Act is to provide for the financing of the Association so it may expend moneys to advance the production of sheep and wool in all its branches and improve the marketing of sheep and wool by,

Purpose  
and intent  
of Act

- (a) encouraging and promoting improvement in all phases of sheep breeding, production and marketing;
- (b) sponsoring sales, competitive exhibitions and projects to further the interests of sheep owners;

- (c) co-operating with government and agencies of government to improve the breeding, production and marketing of sheep and the production and marketing of wool;
- (d) holding meetings for the consideration of questions relating to the sheep and wool industry;
- (e) co-operating with organizations of producers of agricultural products;
- (f) collecting, arranging, assembling and disseminating information; and
- (g) making representations to all levels of government and to agencies of government.

Use of  
licence  
fees by  
Association

(2) The Association may use licence fees paid to it under this Act for defraying the expenses of the Association in doing any thing referred to in subsection 1 and in carrying out its objects.

Licences

**3.—**(1) Except under the authority of a licence no person shall sell sheep to a buyer.

Idem

(2) Every person who sells sheep to a buyer shall be deemed to be the holder of a licence, except when in default of payment of licence fees prescribed under this Act.

Exemption

(3) A person who sells sheep produced by him directly to another producer of sheep or directly to a consumer is exempt from this Act in respect of such sheep.

Licences

**4.—**(1) Except under the authority of a licence, no person shall sell wool to a buyer.

Idem

(2) Every person who sells wool to a buyer shall be deemed to be the holder of a licence, except when in default of payment of licence fees prescribed under this Act.

Refund of  
licence fees

**5.—**(1) Every person who is the holder of a licence under section 3 or 4 may apply for a refund of any licence fees paid by him to the Association under this Act.

Idem

(2) Every application for a refund shall be made in the manner prescribed in the regulations.

Idem

(3) Where the Association receives an application for a refund, it shall refund the licence fees in the manner prescribed in the regulations and in any case not later than six months after receipt of the application therefor.

(4) Any person who is a producer and buyer is entitled in his respective capacities as a producer and as a buyer to all the rights and privileges and is subject to all the duties and obligations of a producer and of a buyer. Producer-buyer

(5) Any person who is a producer and a buyer shall be deemed to have received in his capacity as a buyer from himself in his capacity as a producer the sheep or wool produced by him that he buys, and to have contracted in that capacity with himself in his capacity as a producer for the marketing thereof upon the condition that this Act and regulations apply. Idem

6. Where the board of directors of the Association is of the opinion that a majority of the members of the Association are in favour thereof, the board of directors may recommend through the Minister to the Lieutenant Governor in Council the making, amending or revoking of regulations respecting any of the matters set forth in section 7. Recommendations by directors of Association

7.—(1) Notwithstanding section 6, the Lieutenant Governor in Council may make regulations, Regulations

- (a) fixing the amount of licence fees up to but not exceeding,
  - (i) in the case of sheep, 50 cents for each head of sheep, and
  - (ii) in the case of wool, 11 cents for each kilogram of wool;
- (b) requiring persons to pay to the Association licence fees owing by them;
- (c) requiring any buyer who receives sheep or wool from a seller thereof to deduct, from the moneys payable to the seller, any licence fee payable by the seller to the Association, and to forward such licence fees to the Association;
- (d) providing for the recovery by the Association of licence fees owing to the Association by suit in a court of competent jurisdiction;
- (e) prescribing the manner in which applications for refund of licence fees shall be made and the manner in which refunds shall be made;
- (f) providing for the exemption from any or all of the regulations of any sheep or wool or class thereof or any person or class of persons;

(g) prescribing the duties of inspectors;

(h) prescribing forms and providing for their use.

Application  
of regulations

(2) Any regulation may be limited as to time or place, or to both.

Definitions

(3) Any word or expression used in a regulation may be defined in the regulation for the purposes of the regulation.

Appointment  
of inspectors

**8.** The Lieutenant Governor in Council may appoint inspectors for the purposes of this Act.

Powers of  
inspectors

**9.—(1)** For the purposes of enforcing this Act and the regulations, an inspector may, during normal business hours, enter any premises, other than a dwelling, that he has reason to believe is used by a buyer for receiving, assembling or storing wool or for receiving, assembling or slaughtering sheep, or an office used in connection therewith.

Production of  
documents

(2) For the purpose of enforcing this Act and the regulations, an inspector may demand the production or furnishing by the owner or custodian thereof of any books, records, documents or extracts therefrom, in a place referred to in subsection 1, relating to sheep or wool.

Idem

(3) Where an inspector demands the production or furnishing of books, records, documents or extracts therefrom the person having custody thereof shall produce or furnish them to the inspector, and the inspector may detain them for the purpose of photocopying them, provided such photocopying is carried out with reasonable dispatch and the inspector shall forthwith thereafter return them to the person who produced or furnished them.

Photocopy  
as evidence

(4) Where a book, record, document or extract has been photocopied under subsection 3, a photocopy purporting to be certified by an inspector to be a copy made pursuant to subsection 3 is admissible in evidence and has the same probative force as the original document would have had if it had been proven in the ordinary way.

Demand  
to be in  
writing

(5) Where an inspector makes a demand under subsection 2, the demand shall be in writing and shall include a statement of the nature of the investigation and the general nature of the books, records, documents or extracts required.

Obstruction  
of inspector

(6) No person shall hinder or obstruct an inspector in the course of his duties or furnish him with false information or refuse to furnish him with information relating to his duties under this section.



**10.** The production by an inspector of a certificate of his appointment purporting to be signed by the Minister is admissible in evidence as *prima facie* proof of the facts stated in the certificate and of the authority of the inspector to exercise the powers and perform the duties prescribed in this Act and the regulations. Certificate of appointment of inspector

**11.** Every person who contravenes any of the provisions of this Act or the regulations is guilty of an offence and on conviction is liable for a first offence to a fine of not more than \$100 and for a subsequent offence to a fine of not more than \$500. Offence

**12.**—(1) *The Wool Marketing Act, 1974*, being chapter 56, and section 10 of *The Metric Conversion Statute Law Amendment Act, 1978*, being chapter 87, are repealed. Repeals

(2) Notwithstanding subsection 1, Ontario Regulation 841/75 made under *The Wool Marketing Act, 1974* continues in force to the extent that it is not inconsistent with this Act as if it had been made under this Act and may be amended or revoked by a regulation made under this Act. Regulation continued

**13.** This Act comes into force on a day to be named by proclamation of the Lieutenant Governor. Commencement

**14.** The short title of this Act is *The Sheep and Wool Marketing Act, 1980*. Short title

An Act respecting the  
Marketing of Sheep and Wool

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*1st Reading*

November 13th, 1980

*2nd Reading*

*3rd Reading*

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THE HON. L. C. HENDERSON  
Minister of Agriculture and Food

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*(Government Bill)*

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4TH SESSION, 31ST LEGISLATURE, <sup>5</sup>ONTARIO  
29 ELIZABETH II, 1980<sup>2</sup>

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**An Act to amend The Assessment Act**

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THE HON. L. MAECK  
Minister of Revenue

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TORONTO

PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

## EXPLANATORY NOTES

The purpose of the Bill is to postpone to December, 1981, the return of assessments at market value. Accordingly, the amendment proposed in section 4 of the Bill will add a new clause *g* to subsection 1 of section 86 of the Act to continue present levels of assessment for the year 1980. The subsequent amendments are consequential on the amendment proposed in section 4 of the Bill. In addition, certain administrative amendments are proposed in the first three sections of the Bill.

SECTION 1. The definition of "municipality" is re-enacted with the addition of a reference to "locality", which is defined in clause *m* of section 1 of the Act. The amendment will ensure that the same provisions of the Act that apply to municipalities will apply in "localities" when assessments are required to be made in such localities for school tax purposes.

SECTION 2. The purpose of the amendments proposed in this section is to provide a mechanism for the review and updating of rates for pipe lines in areas where a market value assessment is in force by reason of a proclamation under section 97 of the Act. The present provisions of subsection 16 of section 33 of the Act do not provide for the prescribing of new rates. Subsection 16 reads:

*(16) Notwithstanding any provisions of this section to the contrary, where, as a result of making a proclamation under section 97, an assessment at market value is made of real property in any municipality or in territory without municipal organization comprised in a locality, the Lieutenant Governor in Council may by regulation,*

*(a) prescribe rates in lieu of the rates in subsection 4 to be applied for the taxation of pipe lines in such municipality or territory;*

*(b) where two or more pipe lines occupy the same right of way, designate the second and subsequent pipe lines and prescribe the percentage of the rates as so prescribed at which the second and subsequent pipe lines are assessable and taxable,*

*and the rates and percentages of rates as so prescribed shall apply in such municipality and territory in the year in which taxation is first levied on the basis of the new assessment at market value resulting from such a proclamation and in each year thereafter, but the rates as so prescribed do not apply to taxation in any year prior to 1974.*

SECTION 3. Subsection 1 of section 71 of the Act reads:

*(1) The Ministry shall examine the amounts of the assessments of rateable property in each municipality and locality on the last revised assessment roll of each municipality and locality and determine as nearly as may be what the total of the amounts of the assessment of such rateable property should be so that costs may be apportioned and grants provided on a basis which is just and equitable as between municipalities and localities.*

The proposed amendment to change the reference from the last revised assessment roll to the last returned assessment roll is designed to reflect the practice of the Ministry in the equalization made under section 71 of the Act commencing in 1979. The revised roll is not available until all appeals have been finally determined, and in many large municipalities, the appeal process lasts for many years with the result that the last revised assessment roll does not reflect current assessments. The last returned roll is the most current up-to-date roll, and provides the best basis in equalization under section 71 of the Act.

BILL 185

1980

## An Act to amend The Assessment Act

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. Clause *o* of section 1 of *The Assessment Act*, being chapter 32 of the Revised Statutes of Ontario, 1970, is repealed and the following substituted therefor: s. 1 (*o*),  
re-enacted

(*o*) “municipality” means a city, town, village or township, and includes a locality for the purpose of making any assessment required for the levying in a locality of a tax for school purposes.

- 2.—(1) Subsection 16 of section 33 of the said Act, as enacted by the Statutes of Ontario, 1973, chapter 148, section 1, is amended by striking out “but the rates as so prescribed do not apply to taxation in any year prior to 1974” in the nineteenth, twentieth and twenty-first lines and inserting in lieu thereof “until such rates and percentages of rates are altered in accordance with subsection 17”. s. 33 (16),  
amended

- (2) The said section 33, as amended by the Statutes of Ontario, 1973, chapter 26, section 7, 1973, chapter 148, section 1, 1974, chapter 41, section 10 and 1979, chapter 88, section 1, is further amended by adding thereto the following subsection: s. 33,  
amended

(17) Any rates and percentages of rates prescribed under subsection 16 shall be reviewed by the Minister in the year 1980 and in every third year thereafter, and in any such year the Lieutenant Governor in Council may by regulation prescribe different rates and percentages of rates to be applicable for the purposes of this Act. Review of  
rates under  
subs. 16

3. Subsection 1 of section 71 of the said Act is amended by striking out “revised” in the third line and inserting in lieu thereof “returned”. s. 71 (1),  
amended
4. Subsection 1 of section 86 of the said Act, as re-enacted by the Statutes of Ontario, 1976, chapter 65, section 1 and amended by s. 86 (1),  
amended

1977, chapter 56, section 1, 1978, chapter 73, section 1 and 1979, chapter 88, section 2, is further amended,

- (a) by striking out “and” at the end of clause *e* as inserted by the 1979 amendment;
- (b) by adding “and” at the end of clause *f*; and
- (c) by striking out all that part of the subsection immediately following clause *f* and inserting in lieu thereof,
- (g) subject to subsection 2, the assessment roll of a municipality to be returned in the year 1980 shall be the assessment of all real property as set forth in the assessment roll returned for the year 1979 for taxation in the year 1980 as amended, added to or otherwise altered up to the date when the assessment roll for taxation in the year 1981 is returned,

provided that, where the assessor is of the opinion that an assessment to be shown on the assessment roll to be returned for the years 1974 to and including 1980 is inequitable with respect to the assessment of similar real property in the vicinity, the assessor may alter the value of the assessment to the extent necessary to make the assessment equitable with the assessment of such similar real property.

s. 95,  
re-enacted

- 5.** Section 95 of the said Act, as re-enacted by the Statutes of Ontario, 1979, chapter 88, section 3, is repealed and the following substituted therefor:

Application

95. Section 90 ceases to be in force on the 22nd day of December, 1981, but shall continue in force for the purpose of any pending complaint, appeal, proceeding or action that will affect taxes for the years 1971 to and including 1981.

s. 96 (1),  
re-enacted

- 6.** Subsection 1 of section 96 of the said Act, as re-enacted by the Statutes of Ontario, 1979, chapter 88, section 4, is repealed and the following substituted therefor:

Application

(1) Subject to section 97, subsection 6 of section 33 continues to be not in force and remains inoperative until the 1st day of January, 1981.

s. 97 (2),  
amended

- 7.** Subsection 2 of section 97 of the said Act, as enacted by the Statutes of Ontario, 1972, chapter 161, section 2 and amended by 1975 (2nd Session), chapter 2, section 3, 1977, chapter 56, section 4, 1978, chapter 73, section 4 and 1979, chapter 88, section 5, is further



amended by striking out “earlier than the 1st day of January, 1981” in the second and third lines and in the amendment of 1979.

**8.**—(1) This Act, except sections 2 and 3, comes into force on the 1st day of December, 1980. Commence-  
ment

(2) Section 2 shall be deemed to have come into force on the 1st day of January, 1980. Idem

(3) Section 3 shall be deemed to have come into force on the 1st day of January, 1979. Idem

**9.** The short title of this Act is *The Assessment Amendment Act, 1980*. Short title





An Act to amend The Assessment Act

---

*1st Reading*

November 13th, 1980

*2nd Reading*

*3rd Reading*

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THE HON. L. MAECK  
Minister of Revenue

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*(Government Bill)*

**BILL 185**

4TH SESSION, 31ST LEGISLATURE, <sup>1</sup>ONTARIO  
29 ELIZABETH II, 1980

*Legislative Assembly*

**An Act to amend The Assessment Act**

THE HON. L. MAECK  
Minister of Revenue

TORONTO

PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO



BILL 185

1980

## An Act to amend The Assessment Act

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. Clause *o* of section 1 of *The Assessment Act*, being chapter 32 of the Revised Statutes of Ontario, 1970, is repealed and the following substituted therefor: s. 1 (*o*),  
re-enacted

(*o*) "municipality" means a city, town, village or township, and includes a locality for the purpose of making any assessment required for the levying in a locality of a tax for school purposes.

- 2.—(1) Subsection 16 of section 33 of the said Act, as enacted by the Statutes of Ontario, 1973, chapter 148, section 1, is amended by striking out "but the rates as so prescribed do not apply to taxation in any year prior to 1974" in the nineteenth, twentieth and twenty-first lines and inserting in lieu thereof "until such rates and percentages of rates are altered in accordance with subsection 17". s. 33 (16),  
amended

- (2) The said section 33, as amended by the Statutes of Ontario, 1973, chapter 26, section 7, 1973, chapter 148, section 1, 1974, chapter 41, section 10 and 1979, chapter 88, section 1, is further amended by adding thereto the following subsection: s. 33,  
amended

(17) Any rates and percentages of rates prescribed under subsection 16 shall be reviewed by the Minister in the year 1980 and in every third year thereafter, and in any such year the Lieutenant Governor in Council may by regulation prescribe different rates and percentages of rates to be applicable for the purposes of this Act. Review of  
rates under  
subs. 16

3. Subsection 1 of section 71 of the said Act is amended by striking out "revised" in the third line and inserting in lieu thereof "returned". s. 71 (1),  
amended
4. Subsection 1 of section 86 of the said Act, as re-enacted by the Statutes of Ontario, 1976, chapter 65, section 1 and amended by s. 86 (1),  
amended



1977, chapter 56, section 1, 1978, chapter 73, section 1 and 1979, chapter 88, section 2, is further amended,

- (a) by striking out "and" at the end of clause *e* as inserted by the 1979 amendment;
- (b) by adding "and" at the end of clause *f*; and
- (c) by striking out all that part of the subsection immediately following clause *f* and inserting in lieu thereof,
- (g) subject to subsection 2, the assessment roll of a municipality to be returned in the year 1980 shall be the assessment of all real property as set forth in the assessment roll returned for the year 1979 for taxation in the year 1980 as amended, added to or otherwise altered up to the date when the assessment roll for taxation in the year 1981 is returned,

provided that, where the assessor is of the opinion that an assessment to be shown on the assessment roll to be returned for the years 1974 to and including 1980 is inequitable with respect to the assessment of similar real property in the vicinity, the assessor may alter the value of the assessment to the extent necessary to make the assessment equitable with the assessment of such similar real property.

s. 95,  
re-enacted

- 5.** Section 95 of the said Act, as re-enacted by the Statutes of Ontario, 1979, chapter 88, section 3, is repealed and the following substituted therefor:

Application

95. Section 90 ceases to be in force on the 22nd day of December, 1981, but shall continue in force for the purpose of any pending complaint, appeal, proceeding or action that will affect taxes for the years 1971 to and including 1981.

s. 96 (1),  
re-enacted

- 6.** Subsection 1 of section 96 of the said Act, as re-enacted by the Statutes of Ontario, 1979, chapter 88, section 4, is repealed and the following substituted therefor:

Application

(1) Subject to section 97, subsection 6 of section 33 continues to be not in force and remains inoperative until the 1st day of January, 1981.

s. 97 (2),  
amended

- 7.** Subsection 2 of section 97 of the said Act, as enacted by the Statutes of Ontario, 1972, chapter 161, section 2 and amended by 1975 (2nd Session), chapter 2, section 3, 1977, chapter 56, section 4, 1978, chapter 73, section 4 and 1979, chapter 88, section 5, is further

amended by striking out “earlier than the 1st day of January, 1981” in the second and third lines and in the amendment of 1979.

**8.**—(1) This Act, except sections 2 and 3, comes into force on the 1st day of December, 1980. Commence-  
ment

(2) Section 2 shall be deemed to have come into force on the 1st day of January, 1980. Idem

(3) Section 3 shall be deemed to have come into force on the 1st day of January, 1979. Idem

**9.** The short title of this Act is *The Assessment Amendment Act, 1980*. Short title





An Act to amend The Assessment Act

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*1st Reading*

November 13th, 1980

*2nd Reading*

November 27th, 1980

*3rd Reading*

December 2nd, 1980

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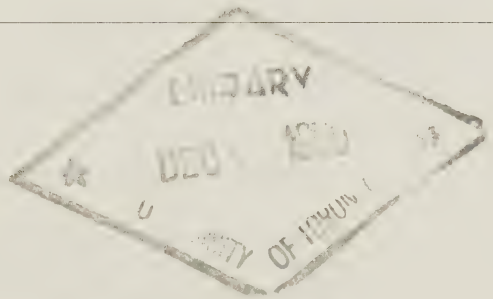
THE HON. L. MAECK  
Minister of Revenue

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4TH SESSION, 31ST LEGISLATURE, ONTARIO  
29 ELIZABETH II, 1980

**An Act respecting The Bruce County  
Board of Education and Teachers Dispute**

MR. SARGENT



TORONTO

PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

#### EXPLANATORY NOTE

The purpose of this Bill is to resolve the dispute between The Bruce County Board of Education and the secondary school teachers who are employees of the board. The Bill orders an end to the strike that commenced on the 2nd day of October, 1980 and establishes a final offer selection procedure as a means of settling the matters in dispute between the parties.



BILL 186

1980

## An Act respecting The Bruce County Board of Education and Teachers Dispute

**W**HEREAS The Bruce County Board of Education and its Preamble  
secondary school teachers have been negotiating terms and  
conditions of employment; and whereas a state of strike by the  
teachers against the board of education has been in effect since the  
2nd day of October, 1980; and whereas the board of education and  
its secondary school teachers have been unable to make an agree-  
ment as to terms and conditions of employment; and whereas the  
public interest requires that means be found for the settlement of  
the matters in dispute between the board of education and its  
secondary school teachers;

Therefore, Her Majesty, by and with the advice and  
consent of the Legislative Assembly of the Province of  
Ontario, enacts as follows:

### 1. In this Act,

Interpre-  
tation

- (a) “arbitrator” means the arbitrator appointed under this Act;
- (b) “board” means The Bruce County Board of Education;
- (c) “branch affiliate” means the organization composed of all the teachers employed by the board who are members of The Ontario Secondary School Teachers’ Federation;
- (d) “Commission” means the Education Relations Commission established under *The School Boards and Teachers Collective Negotiations Act, 1975*; 1975, c. 72
- (e) “lock-out” has the same meaning as in *The School Boards and Teachers Collective Negotiations Act, 1975*;
- (f) “parties” means the board and the branch affiliate;
- (g) “strike” has the same meaning as in *The School Boards and Teachers Collective Negotiations Act, 1975*;

(h) "teachers" means the secondary school teachers employed on permanent or probationary contracts by the board.

Resumption  
of employ-  
ment and  
operation  
of schools

**2.—**(1) The teachers who are on strike against the board shall, on the first Tuesday following the day this Act comes into force, return to and resume their duties in accordance with their contracts of employment and written collective understandings in effect on the 31st day of August, 1979 with the board and the board shall, on the first Tuesday following the day this Act comes into force, resume the employment of such teachers in accordance with such contracts and written collective understandings and resume the normal operation of the schools in which the teachers are employed.

Strike or  
lock-out

(2) During the period from and including the first Tuesday following the day this Act comes into force until the day an agreement that is made between the parties or that includes the decision of the arbitrator comes into effect, no teacher shall take part in a strike against the board and the board shall not lock out a teacher.

Exception

(3) Nothing in this Act precludes a teacher from not returning to and resuming his duties with the board for reasons of health or by mutual consent in writing of the teacher and the board.

Final offer  
selection

**3.—**(1) The parties shall be deemed to have agreed,

1975, c. 72

(a) to refer all matters remaining in dispute between them that may be provided for in an agreement under *The School Boards and Teachers Collective Negotiations Act, 1975* to a selector for determination under and in accordance with Part V of that Act; and

(b) to not withdraw from the proceedings.

Notice of  
appointment  
of selector

(2) The parties, within seven days after the day this Act comes into force, shall jointly give written notice to the Commission stating,

(a) the date of appointment and the name and address of the selector; or

(b) that the parties have not appointed the selector and that the parties request the Commission to appoint the selector.

Appointment  
of selector  
by Commission

(3) Where the parties fail to give a notice to the Commission in accordance with subsection 2 or where the parties request the Commission to appoint the selector, the Commission shall make

the appointment and give notice of the appointment of the selector to the parties and the notice shall set out the name and address of the person appointed and the date of the appointment.

(4) Except as otherwise provided in this Act, *The School Boards and Teachers Collective Negotiations Act, 1975* applies to the selector, to the proceedings conducted before him, to the parties and to the teachers. Application of 1975, c. 72

4.—(1) Notwithstanding subsection 1 of section 51 of *The School Boards and Teachers Collective Negotiations Act, 1975*, the agreement giving effect to all matters agreed upon by the parties and the decision of the selector shall be for the period commencing on the 1st day of September, 1979 and expiring on the 31st day of August, 1980. Term of agreement 1975, c. 72

(2) The Commission may, with the concurrence of the selector and the parties, reduce any period of time referred to in section 41, 42, 44, 45 or 48 of *The School Boards and Teachers Collective Negotiations Act, 1975*. Reduction of time period

5.—(1) Every person or party that contravenes any of the provisions of this Act is guilty of an offence. Offences

(2) The provisions of *The School Boards and Teachers Collective Negotiations Act, 1975* respecting offences and penalties and the procedures relating thereto apply in respect of a contravention of any provision of this Act. Idem

6. This Act comes into force on the day it receives Royal Assent. Commencement

7. The short title of this Act is *The Bruce County Board of Education and Teachers Dispute Resolution Act, 1980*. Short title





An Act respecting  
The Bruce County Board of  
Education and Teachers Dispute

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*1st Reading*

November 13th, 1980

*2nd Reading*

*3rd Reading*

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MR. SARGENT

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*(Private Member's Bill)*

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4TH SESSION, 31ST LEGISLATURE, <sup>1</sup>ONTARIO  
29 ELIZABETH II, 1980 <sup>2</sup>

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*Legislative Assembly*

An Act to amend The Retail Sales Tax Act

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THE HON. L. MAECK  
Minister of Revenue

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#### EXPLANATORY NOTES

SECTION 1.—Subsections 1, 2 and 3. The substitution of “December” for “March” will extend the exemptions for occupancy of transient accommodation, for prepared meals provided on the American Plan or the Modified American Plan, and for furnishing and food preparation equipment used in restaurants and hotels. The present exemptions expire at the end of March in 1981. The proposed amendments will extend the exemptions to the end of December, 1981.

Subsection 4. The three paragraphs to be added to subsection 1 of section 5 of the Act will provide exemptions for household furniture, certain major home appliances, and building materials that are defined by the Minister. The exemptions will be available for purchases made before July 1st, 1981, provided that delivery of the item purchased is taken by the purchaser on or after November 14th, 1980 and before July 1st, 1981.

BILL 187

1980

## An Act to amend The Retail Sales Tax Act

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

- 1.—(1) Paragraph 41 of subsection 1 of section 5 of *The Retail Sales Tax Act*, being chapter 415 of the Revised Statutes of Ontario, 1970, as re-enacted by the Statutes of Ontario, 1978, chapter 6, section 2 and amended by 1979, chapter 27, section 3, is further amended by striking out “March” in the third line and in the tenth line as inserted by the 1979 amendment and inserting in lieu thereof in each instance “December”. s. 5 (1),  
par. 41,  
amended
- (2) Paragraph 41a of subsection 1 of the said section 5, as enacted by the Statutes of Ontario, 1978, chapter 6, section 2 and amended by 1979, chapter 27, section 3, is further amended by striking out “March” in the third line as inserted by the 1979 amendment and inserting in lieu thereof “December”. s. 5 (1),  
par. 41a,  
amended
- (3) Paragraph 70 of subsection 1 of the said section 5, as enacted by the Statutes of Ontario, 1979, chapter 27, section 3, is amended by striking out “March” in the twelfth line and inserting in lieu thereof “December”. s. 5 (1),  
par. 70,  
amended
- (4) Subsection 1 of the said section 5, as amended by the Statutes of Ontario, 1972, chapter 21, section 1, 1973, chapter 23, section 4, 1974, chapter 7, section 2, 1975, chapter 9, section 4, 1976, chapter 23, section 3, 1976, chapter 82, section 3, 1977, chapter 13, section 4, 1978, chapter 6, section 2, 1979, chapter 27, section 3 and 1980, chapter 22, section 1, is further amended by adding thereto the following paragraphs: s. 5 (1),  
amended
  71. furniture, other than that prescribed by the Minister to be excluded from the exemption conferred by this paragraph, that is purchased for private household use, if the purchase is made before the 1st day of July, 1981 and delivery thereof is taken by the purchaser on or after the

14th day of November, 1980 and before the 1st day of July, 1981;

72. major home appliances that are manufactured for private household use and that are,

(a) refrigerators, freezers or kitchen ranges, including ovens and cooking tops sold separately for installation as a kitchen range; or

(b) washers or dryers for the laundering of clothes,

but only when such appliances have never previously been sold, leased or rented by a dealer to a customer at a retail sale anywhere and are,

(c) purchased before the 1st day of July, 1981 and delivered to the purchaser thereof on or after the 14th day of November, 1980 and before the 1st day of July, 1981; and

(d) not appliances or a class or kind of appliance prescribed by the Minister to be excluded from the exemption conferred by this paragraph;

73. building materials, as defined by the Minister, that are purchased before the 1st day of July, 1981 and are delivered to the purchaser thereof on or after the 14th day of November, 1980 and before the 1st day of July, 1981.

s. 19 (1),  
amended

**2.** Subsection 1 of section 19 of the said Act, as re-enacted by the Statutes of Ontario, 1976, chapter 23, section 8, is amended by striking out "sixty" in the third line and inserting in lieu thereof "ninety".

s. 20,  
amended

**3.** Section 20 of the said Act, as amended by the Statutes of Ontario, 1976, chapter 23, section 9, is further amended by adding thereto the following subsection:

Extension  
of time

(7) The time within which a notice of objection under section 19 or a notice of appeal under this section is to be served may be extended by the Minister if application for such extension is made before the time for service of the notice of objection or a notice of appeal, as the case may be, has expired.

Commence-  
ment

**4.** This Act shall be deemed to have come into force on the 14th day of November, 1980.

Short title

**5.** The short title of this Act is *The Retail Sales Tax Amendment Act, 1980*.

SECTION 2. The proposed amendment will extend from sixty to ninety days the period within which a notice of objection to an assessment under the Act can validly be served on the Minister. The period for filing a notice of objection under the other major taxing statutes of Ontario is ninety days, and the amendment will make *The Retail Sales Tax Act* consistent with the other provincial taxing statutes.

SECTION 3. The new subsection to be added by the amendment will authorize the Minister to extend the time within which a notice of objection or notice of appeal may validly be filed, provided that the request for extension is made within the ninety-day time limit for filing such notices.





An Act to amend  
The Retail Sales Tax Act

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*1st Reading*

November 13th, 1980

*2nd Reading*

*3rd Reading*

---

THE HON. L. MAECK  
Minister of Revenue

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(*Government Bill*)

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4TH SESSION, 31ST LEGISLATURE, ONTARIO  
29 ELIZABETH II, 1980

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**An Act to amend The Retail Sales Tax Act**

---

THE HON. L. MAECK  
Minister of Revenue

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*(Reprinted as amended by the Committee of the Whole House)*

#### EXPLANATORY NOTES

SECTION 1.—Subsections 1, 2 and 3. The substitution of “December” for “March” will extend the exemptions for occupancy of transient accommodation, for prepared meals provided on the American Plan or the Modified American Plan, and for furnishing and food preparation equipment used in restaurants and hotels. The present exemptions expire at the end of March in 1981. The proposed amendments will extend the exemptions to the end of December, 1981.

Subsection 4. The three paragraphs to be added to subsection 1 of section 5 of the Act will provide exemptions for household furniture, certain major home appliances, and building materials that are defined by the Minister. The exemptions will be available for purchases made before July 1st, 1981, provided that delivery of the item purchased is taken by the purchaser on or after November 14th, 1980 and before July 1st, 1981.

BILL 187

1980

## An Act to amend The Retail Sales Tax Act

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

- 1.—(1) Paragraph 41 of subsection 1 of section 5 of *The Retail Sales Tax Act*, being chapter 415 of the Revised Statutes of Ontario, 1970, as re-enacted by the Statutes of Ontario, 1978, chapter 6, section 2 and amended by 1979, chapter 27, section 3, is further amended by striking out “March” in the third line and in the tenth line as inserted by the 1979 amendment and inserting in lieu thereof in each instance “December”. s. 5 (1),  
par. 41,  
amended
- (2) Paragraph 41a of subsection 1 of the said section 5, as enacted by the Statutes of Ontario, 1978, chapter 6, section 2 and amended by 1979, chapter 27, section 3, is further amended by striking out “March” in the third line as inserted by the 1979 amendment and inserting in lieu thereof “December”. s. 5 (1),  
par. 41a,  
amended
- (3) Paragraph 70 of subsection 1 of the said section 5, as enacted by the Statutes of Ontario, 1979, chapter 27, section 3, is amended by striking out “March” in the twelfth line and inserting in lieu thereof “December”. s. 5 (1),  
par. 70,  
amended
- (4) Subsection 1 of the said section 5, as amended by the Statutes of Ontario, 1972, chapter 21, section 1, 1973, chapter 23, section 4, 1974, chapter 7, section 2, 1975, chapter 9, section 4, 1976, chapter 23, section 3, 1976, chapter 82, section 3, 1977, chapter 13, section 4, 1978, chapter 6, section 2, 1979, chapter 27, section 3 and 1980, chapter 22, section 1, is further amended by adding thereto the following paragraphs: s. 5 (1),  
amended

71. furniture, other than that prescribed by the Minister to be excluded from the exemption conferred by this paragraph, that is purchased for private household use, if the purchase is made before the 1st day of July, 1981 and delivery thereof is taken by the purchaser on or after the

14th day of November, 1980 and before the 1st day of July, 1981;

72. major home appliances that are manufactured for private household use and that are,

(a) refrigerators, freezers or kitchen ranges, including ovens and cooking tops sold separately for installation as a kitchen range; or

(b) washers or dryers for the laundering of clothes,

but only when such appliances have never previously been sold, leased or rented by a dealer to a customer at a retail sale anywhere and are,

(c) purchased before the 1st day of July, 1981 and delivered to the purchaser thereof on or after the 14th day of November, 1980 and before the 1st day of July, 1981; and

(d) not appliances or a class or kind of appliance prescribed by the Minister to be excluded from the exemption conferred by this paragraph;

73. building materials, as defined by the Minister, that are purchased before the 1st day of July, 1981 and are delivered to the purchaser thereof on or after the 14th day of November, 1980 and before the 1st day of July, 1981.

s. 19 (1),  
amended

2. Subsection 1 of section 19 of the said Act, as re-enacted by the Statutes of Ontario, 1976, chapter 23, section 8, is amended by striking out "sixty" in the third line and inserting in lieu thereof "ninety".

s. 20,  
amended

3. Section 20 of the said Act, as amended by the Statutes of Ontario, 1976, chapter 23, section 9, is further amended by adding thereto the following subsection:

Extension  
of time

(7) The time within which a notice of objection under section 19 or a notice of appeal under this section is to be served may be extended by the Minister if application for such extension is made before the time for service of the notice of objection or a notice of appeal, as the case may be, has expired.



s. 42 (3),  
amended




4. Subsection 3 of section 42 of the said Act, as enacted by the Statutes of Ontario, 1975, chapter 9, section 11 and amended by 1976, chapter 23, section 12, 1976, chapter 82, section 4, 1979, chapter 27, section 8 and 1980, chapter 22, section 3, is further amended by adding thereto the following clause:

SECTION 2. The proposed amendment will extend from sixty to ninety days the period within which a notice of objection to an assessment under the Act can validly be served on the Minister. The period for filing a notice of objection under the other major taxing statutes of Ontario is ninety days, and the amendment will make *The Retail Sales Tax Act* consistent with the other provincial taxing statutes.

SECTION 3. The new subsection to be added by the amendment will authorize the Minister to extend the time within which a notice of objection or notice of appeal may validly be filed, provided that the request for extension is made within the ninety-day time limit for filing such notices.

 SECTION 4. The Minister is empowered, by regulation, to extend the period within which delivery is required to be made for the purposes of paragraphs 71, 72 or 73 to a date not later than the 30th day of September, 1981. 



- (j) extending to a date not later than the 30th day of September, 1981, the period within which delivery is required to be made for the purpose of any exemption conferred by paragraph 71, 72 or 73 of subsection 1 of section 5. 

5. This Act shall be deemed to have come into force on the 14th day of November, 1980. Commence-  
ment
6. The short title of this Act is *The Retail Sales Tax Amendment Act, 1980*. Short title  
1980.



An Act to amend  
The Retail Sales Tax Act

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*1st Reading*

November 13th, 1980

*2nd Reading*

December 9th, 1980

*3rd Reading*

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THE HON. L. MAECK  
Minister of Revenue

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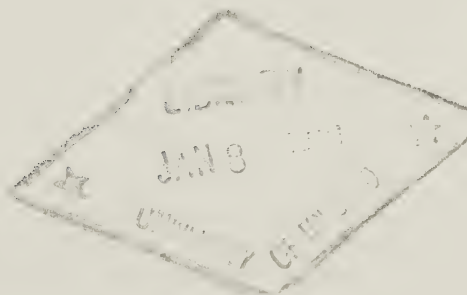
(Reprinted as amended by the  
Committee of the Whole House)

7 BILL 187

4TH SESSION, 31ST LEGISLATURE, ONTARIO  
29 ELIZABETH II, 1980

An Act to amend The Retail Sales Tax Act

THE HON. L. MAECK  
Minister of Revenue





BILL 187

1980

## An Act to amend The Retail Sales Tax Act

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

- 1.—(1) Paragraph 41 of subsection 1 of section 5 of *The Retail Sales Tax Act*, being chapter 415 of the Revised Statutes of Ontario, 1970, as re-enacted by the Statutes of Ontario, 1978, chapter 6, section 2 and amended by 1979, chapter 27, section 3, is further amended by striking out “March” in the third line and in the tenth line as inserted by the 1979 amendment and inserting in lieu thereof in each instance “December”. s. 5 (1),  
par. 41,  
amended
- (2) Paragraph 41a of subsection 1 of the said section 5, as enacted by the Statutes of Ontario, 1978, chapter 6, section 2 and amended by 1979, chapter 27, section 3, is further amended by striking out “March” in the third line as inserted by the 1979 amendment and inserting in lieu thereof “December”. s. 5 (1),  
par. 41a,  
amended
- (3) Paragraph 70 of subsection 1 of the said section 5, as enacted by the Statutes of Ontario, 1979, chapter 27, section 3, is amended by striking out “March” in the twelfth line and inserting in lieu thereof “December”. s. 5 (1),  
par. 70,  
amended
- (4) Subsection 1 of the said section 5, as amended by the Statutes of Ontario, 1972, chapter 21, section 1, 1973, chapter 23, section 4, 1974, chapter 7, section 2, 1975, chapter 9, section 4, 1976, chapter 23, section 3, 1976, chapter 82, section 3, 1977, chapter 13, section 4, 1978, chapter 6, section 2, 1979, chapter 27, section 3 and 1980, chapter 22, section 1, is further amended by adding thereto the following paragraphs: s. 5 (1),  
amended
  71. furniture, other than that prescribed by the Minister to be excluded from the exemption conferred by this paragraph, that is purchased for private household use, if the purchase is made before the 1st day of July, 1981 and delivery thereof is taken by the purchaser on or after the

14th day of November, 1980 and before the 1st day of July, 1981;

72. major home appliances that are manufactured for private household use and that are,

(a) refrigerators, freezers or kitchen ranges, including ovens and cooking tops sold separately for installation as a kitchen range; or

(b) washers or dryers for the laundering of clothes,

but only when such appliances have never previously been sold, leased or rented by a dealer to a customer at a retail sale anywhere and are,

(c) purchased before the 1st day of July, 1981 and delivered to the purchaser thereof on or after the 14th day of November, 1980 and before the 1st day of July, 1981; and

(d) not appliances or a class or kind of appliance prescribed by the Minister to be excluded from the exemption conferred by this paragraph;

73. building materials, as defined by the Minister, that are purchased before the 1st day of July, 1981 and are delivered to the purchaser thereof on or after the 14th day of November, 1980 and before the 1st day of July, 1981.

s. 19 (1),  
amended

**2.** Subsection 1 of section 19 of the said Act, as re-enacted by the Statutes of Ontario, 1976, chapter 23, section 8, is amended by striking out "sixty" in the third line and inserting in lieu thereof "ninety".

s. 20,  
amended

**3.** Section 20 of the said Act, as amended by the Statutes of Ontario, 1976, chapter 23, section 9, is further amended by adding thereto the following subsection:

Extension  
of time

(7) The time within which a notice of objection under section 19 or a notice of appeal under this section is to be served may be extended by the Minister if application for such extension is made before the time for service of the notice of objection or a notice of appeal, as the case may be, has expired.

s. 42 (3),  
amended

**4.** Subsection 3 of section 42 of the said Act, as enacted by the Statutes of Ontario, 1975, chapter 9, section 11 and amended by 1976, chapter 23, section 12, 1976, chapter 82, section 4, 1979, chapter 27, section 8 and 1980, chapter 22, section 3, is further amended by adding thereto the following clause:

(j) extending to a date not later than the 30th day of September, 1981, the period within which delivery is required to be made for the purpose of any exemption conferred by paragraph 71, 72 or 73 of subsection 1 of section 5.

5. This Act shall be deemed to have come into force on the 14th day of November, 1980. Commence-  
ment
6. The short title of this Act is *The Retail Sales Tax Amendment Act*, Short title  
1980.







An Act to amend  
The Retail Sales Tax Act

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*1st Reading*

November 13th, 1980

*2nd Reading*

December 9th, 1980

*3rd Reading*

December 10th, 1980

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THE HON. L. MAECK  
Minister of Revenue

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4TH SESSION, 31ST LEGISLATURE, ONTARIO  
29 ELIZABETH II, 1980

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**An Act to amend The Highway Traffic Act**

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THE HON. J. W. SNOW  
Minister of Transportation and Communications

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## EXPLANATORY NOTES

SECTIONS 1 AND 2. The Act provides for the issue of motor vehicle permits and number plates. The Bill introduces the concept of a CAVR cab card which is a permit that is issued without an accompanying number plate for a commercial vehicle that has a permit and plate from another province. The fee for the cab card would be prorated to correspond to the use that a vehicle makes of Ontario highways compared to its use of highways out of Ontario. Pursuant to an agreement, operators of commercial vehicles from Ontario would be able to obtain similar permits in other provinces. The net effect of the scheme is that operators whose enterprises extend to several provinces will not be required to obtain number plates from each province and to pay the full permit fee in each province in which they do business.

The Minister is given discretionary powers to decide if an applicant for or holder of a CAVR cab card is entitled to reciprocity privileges and the benefit of the prorated permit fee.

## An Act to amend The Highway Traffic Act

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

- 1.—(1) Clause *b* of section 5*a* of *The Highway Traffic Act*, being chapter 202 of the Revised Statutes of Ontario, 1970, as enacted by the Statutes of Ontario, 1974, chapter 66, section 1, is repealed and the following substituted therefor: s. 5*a* (b),  
re-enacted

(*b*) “permit” means a permit issued or validated under subsection 3 of section 6 and includes a CAVR cab card.

- (2) The said section 5*a*, as enacted by the Statutes of Ontario, 1974, chapter 66, section 1 and amended by the Statutes of Ontario, 1979, chapter 103, section 1, is further amended by relettering clauses *a* and *aa* as clauses *aa* and *ab*, respectively, and by adding thereto the following clause: s. 5*a*,  
amended

(*a*) “CAVR cab card” means a cab card issued by the Ministry pursuant to the Canadian Agreement on Vehicle Registration.

- 2.—(1) Subsection 1 of section 6 of the said Act, as re-enacted by the Statutes of Ontario, 1974, chapter 66, section 2, is amended by striking out “issued or validated under subsection 3” in the seventh and eighth lines. s. 6 (1),  
amended

- (2) Clause *a* of subsection 3 of the said section 6, as re-enacted by the Statutes of Ontario, 1974, chapter 66, section 2, is amended by inserting after “and” in the second line “, except in the case where the permit is a CAVR cab card.”. s. 6 (3) (a),  
amended

- (3) The said section 6, as amended by the Statutes of Ontario, 1973, chapter 45, section 2 and 1974, chapter 66, section 2, is further amended by adding thereto the following subsections: s. 6,  
amended

(4*a*) The Minister may, in his discretion, cancel or refuse to issue a permit, the fee for which is prorated under a Minister  
may cancel  
or refuse  
to issue

reciprocity agreement or arrangement with another jurisdiction, where the owner or lessee has been convicted of an offence under section 12*a* or if in his opinion the owner or lessee is not entitled to reciprocity privileges under the Canadian Agreement on Vehicle Registration.

Notice of  
proposal

(4*b*) Where the Minister proposes to cancel or refuse to issue a permit referred to in subsection 4*a*, he shall notify the permit holder or applicant, as the case may be, of his proposal.

Show  
cause

(4*c*) A person who has received a notification under subsection 4*b* may, within thirty days after receiving the notification, submit to the Minister such documents and records as may show cause why the Minister should not cancel or refuse to issue the permit.

Proceeding  
with  
proposal

(4*d*) Upon the expiration of thirty days after the notification referred to in subsection 4*b* and consideration of any documents or records submitted under subsection 4*c*, the Minister may carry out his proposal or refrain from carrying out his proposal.

Permit  
document-  
ation

(5*a*) Prior to the issuance or validation of a permit under this section, the Minister may require production of such documentation as he considers necessary to enable him to determine whether a permit may be issued or validated and that documentation may be different for different vehicles or classes of vehicles or in respect of the same vehicles or classes of vehicles used for different purposes.

s. 6*a*,  
enacted

**3.** The said Act is amended by adding thereto the following section:

Permit  
limitations

6*a*.—(1) Where the fee prescribed by the regulations for a permit or validated permit for a motor vehicle is calculated with regard to specific limitations or restrictions on the use of a vehicle, the owner of the vehicle shall not drive or cause or permit the vehicle to be driven on a highway except in accordance with such limitations or restrictions.

Penalty

(2) Every person who contravenes the provisions of subsection 1 is guilty of an offence and on conviction is liable to a fine of not less than \$50 and not more than \$200.

s. 7,  
amended

**4.** Section 7 of the said Act, as amended by the Statutes of Ontario, 1974, chapter 66, section 3, 1978, chapter 4, section 2 and 1980, chapter 37, section 3, is further amended by adding thereto the following subsection:

Notice of  
new  
address

(2*a*) Where the name of a lessee is on a permit and the lessee changes his address from the address shown on the permit or from

SECTION 3. Self-explanatory.

SECTION 4. Self-explanatory.



SECTION 5. The proposed amendment is complementary to the CAVR cab card concept.

SECTION 6. The re-enacted subsection 9 (3) is self-explanatory.

Currently, the Act provides that number plates are the property of the Crown and are to be returned to the Ministry when so required. Subsection 9 (4) extends this to provide that CAVR cab cards are similarly property of the Crown and are to be returned when so required.

SECTION 7. Section 11 of the Act currently provides that a peace officer who believes that a number plate on a vehicle is there improperly may take possession of the plate until the facts have been determined.

The new provision gives a peace officer similar authority to take possession of a CAVR cab card.

SECTION 8. The new provisions are complementary to the introduction of CAVR cab cards. They provide that persons who receive permits in the form of CAVR cab cards at a prorated fee shall maintain certain records which will be available for and subject to inspection.

There is also provision for cancelling a permit where appropriate fees are not paid.

that filed under this subsection, he shall within six days send by registered mail to or file with the Ministry notice of his new address.

5. Section 8 of the said Act, as re-enacted by the Statutes of Ontario, 1974, chapter 66, section 4, is amended by adding thereto the following subsection:

s. 8,  
amended

(3) Subsection 1 does not apply to a motor vehicle if the permit therefor is a CAVR cab card.

Where subs. 1  
does not  
apply

6. Subsection 3 of section 9 of the said Act is repealed and the following substituted therefor:

s. 9 (3),  
re-enacted

(3) Where the name of the lessee is on a permit and the lease terminates, the lessor shall, within six days, forward to the Ministry notice thereof together with the permit number.

Notice of  
termination  
of lease

(4) Every number plate, evidence of validation and CAVR cab card furnished by the Ministry under this Act or pursuant to the Canadian Agreement on Vehicle Registration is the property of the Crown and shall be returned to the Ministry when required by the Ministry.

Property  
of the  
Crown

7. Section 11 of the said Act, as re-enacted by the Statutes of Ontario, 1974, chapter 66, section 6, is amended by adding thereto the following subsection:

s. 11,  
amended

(2) Where a peace officer has reason to believe that a CAVR cab card produced by a driver as being the permit for the motor vehicle,

Invalid  
cab card

(a) was not furnished by the Ministry for that motor vehicle;  
or

(b) has been cancelled by the Ministry,

the peace officer may take possession of the CAVR cab card and retain it until the facts in respect of the card have been determined.

8. The said Act is further amended by adding thereto the following sections:

ss. 12a, 12b,  
enacted

12a.—(1) A person to whom a permit is issued for a prorated fee under a reciprocity agreement or arrangement with another jurisdiction shall maintain and preserve such records as are required by regulation during the period of validity of the permit and for the four years immediately following expiry thereof and shall submit such reports to the Ministry as are prescribed by the regulations within the prescribed times.

Records  
to be kept

Production  
of  
records

(2) A person to whom subsection 1 applies shall produce for inspection, within a reasonable time under the prevailing circumstances, the records required under subsection 1 upon the demand of an officer appointed by the Minister to carry out the provisions of this Part.

Examination  
of  
records

(3) An officer appointed by the Minister for carrying out the provisions of this Part may, at any reasonable time, enter the business premises of a person referred to in subsection 1 and examine those books, records and documents of that person that relate to his business of operating commercial vehicles.

Removal  
of  
documents

(4) Any person making an investigation under this section may, upon giving a receipt therefor, remove, for the purpose of making copies, any records produced under subsection 2 or examined under subsection 3 and when he does remove any records, the copies shall be made with reasonable dispatch and the records promptly returned.

Copies as  
evidence

(5) Any copy made under subsection 4 and certified to be a true copy by the person making the copy is admissible in evidence in any action, proceeding or prosecution as *prima facie* proof of the original book, paper or document and its contents.

Penalty

(6) Every person who contravenes subsection 1 or 2 or obstructs, or interferes with an officer in the performance of his duties under subsection 3, is guilty of an offence and on conviction is liable to a fine of not more than \$200 or to imprisonment for a term of not more than six months, or to both.

Regulations

(7) The Lieutenant Governor in Council may make regulations,

(a) prescribing the records to be kept by persons referred to in subsection 1;

(b) governing reports to be made to the Ministry by persons referred to in subsection 1.

Cancellation  
of permit

12b.—(1) Where the fee paid under subsection 3 of section 6 was prorated under a reciprocity agreement or arrangement with another jurisdiction and the appropriate fees are not paid within sixty days after the issue of the permit, the permit shall be deemed to be cancelled upon notice of the cancellation being given to the permit holder.

Notice

(2) Where the notice referred to in subsection 1 is sent by prepaid mail addressed to the person to whom the permit was issued at his latest address appearing on the records of the Ministry, notice shall be deemed to have been given on the fifth day after the day of mailing.



SECTION 9. Section 29 of the Act currently provides for appeals from decisions of the Registrar made under section 27 which provides for the cancellation of certain licences and permits. The re-enacted provisions expand the section to also provide for appeals from decisions of the Minister made under a provision that permits the Minister to alter conditions affecting drivers' licences.

SECTIONS 10 AND 11. Sections 35 and 36 of the Act deal with the licencing of used car and vehicle wrecking lots. This section is being expanded to include trailers which currently are not covered.

SECTION 12. This is complementary to the introduction of CAVR cab cards.

9. Subsections 1 and 2 of section 29 of the said Act are repealed and the following substituted therefor: s. 29 (1, 2),  
re-enacted

(1) Every person aggrieved by a decision of the Minister under subclause i of clause b of subsection 4 of section 13 or a decision of the Registrar under section 27 may appeal the decision to The Licence Suspension Appeal Board. Appeal

(2) The Board may confirm, modify or set aside the decision of the Minister or Registrar. Powers of  
Board

- 10.—(1) Subsection 1 of section 35 of the said Act, as re-enacted by the Statutes of Ontario, 1978, chapter 24, section 4, is amended by inserting after “vehicles” in the first line “or trailers”. s. 35 (1),  
amended

(2) Subsection 3 of the said section 35, as re-enacted by the Statutes of Ontario, 1978, chapter 24, section 4, is amended by inserting after “vehicles” in the first line “or trailers”. s. 35 (3),  
amended

(3) Subsection 4 of the said section 35, as re-enacted by the Statutes of Ontario, 1978, chapter 24, section 4, is amended by inserting after “vehicles” in the third line “, trailers”. s. 35 (4),  
amended

(4) Subsection 6 of the said section 35, as re-enacted by the Statutes of Ontario, 1978, chapter 24, section 4, is amended by inserting after “vehicles” in the second line “or trailers”. s. 35 (6),  
amended

(5) Subsection 7 of the said section 35, as re-enacted by the Statutes of Ontario, 1978, chapter 24, section 4, is amended by inserting after “vehicles” in the third line “or trailers”. s. 35 (7),  
amended

11. Subsection 1 of section 36 of the said Act is repealed and the following substituted therefor: s. 36 (1),  
re-enacted

(1) Every person who buys, sells, wrecks or otherwise deals in second-hand motor vehicles, trailers or bicycles shall keep a complete record of all motor vehicles, trailers and bicycles bought, sold or wrecked and of such information as will enable the motor vehicles, trailers and bicycles to be readily identified, and shall transmit to the Ministry, within six days after the event, on forms furnished by the Ministry, a statement of each motor vehicle or trailer bought, sold or wrecked by him and such information with reference thereto as may be required by the Ministry. Record of  
second-hand  
vehicles  
bought,  
sold, etc.

- 12.—(1) Subsection 2 of section 58b of the said Act, as enacted by the Statutes of Ontario, 1973, chapter 167, section 8, is amended by inserting after “permit” in the first line “other than a CAVR cab card”. s. 58b (2),  
amended



s. 58*b* (3),  
amended

- (2) Subsection 3 of the said section 58*b* is amended by inserting after "permit" in the first line "other than a CAVR cab card".

s. 60 (1) (*a*),  
re-enacted

- 13.**—(1) Clause *a* of subsection 1 of section 60 of the said Act is repealed and the following substituted therefor:

- (*a*) requiring the use or incorporation of any device or any equipment, in or on any vehicle or any class of vehicle, that may affect the safe operation of the vehicle on the highway or that may reduce or prevent injury to persons using the highway, and prescribing the specifications and regulating the installation thereof.

s. 60 (1),  
amended

- (2) Subsection 1 of the said section 60, as amended by the Statutes of Ontario, 1973, chapter 45, section 19 and 1977, chapter 54, section 10, is further amended by adding thereto the following clause:

- (*f*) exempting any type or class of vehicle or any class of driver or passenger in a vehicle from the provisions of any regulations made under this section.

s. 75 (2),  
re-enacted

- 14.**—(1) Subsection 2 of section 75 of the said Act, as re-enacted by the Statutes of Ontario, 1977, chapter 65, section 3, and amended by the Statutes of Ontario, 1978, chapter 90, section 6, is repealed and the following substituted therefor:

- (2) For the purposes of this section, an official of the Ministry authorized by the Minister in writing may designate the date on which a "freeze-up" shall commence and the date on which a "freeze-up" shall terminate and the part of the Province to which the designation shall apply.

s. 75,  
amended

- (2) The said section 75 is amended by adding thereto the following subsection:

R.S.O. 1970,  
c. 410 does  
not apply

- (2*a*) A designation under subsection 2 is not a regulation within the meaning of *The Regulations Act*.

s. 77,  
amended

- 15.** Section 77 of the said Act, as re-enacted by the Statutes of Ontario, 1977, chapter 65, section 3, is amended by adding thereto the following subsection:

Idem

- (2*a*) Where the permit referred to in subsection 2 is a CAVR cab card, the requirements of subsection 2 apply to the original permit and not to any copy thereof and to the permit from the jurisdiction that issued the number plates for the vehicle.

s. 78 (6),  
re-enacted

- 16.** Subsection 6 of section 78 of the said Act, as enacted by the Statutes of Ontario, 1977, chapter 65, section 3 and amended by the

SECTION 13. The provisions, as recast, clarify the authority to make regulations in respect of the use of safety devices and equipment in vehicles.

SECTION 14. Subsection 75 (2) of the Act now reads as follows:

*(2) For the purposes of this section, the Minister may designate by regulation the date on which a "freeze-up" shall commence and the date on which a "freeze-up" shall terminate and the part of the Province to which the designation shall apply.*

The proposed amendments authorize an official of the Ministry to designate the dates. Furthermore, the designation would no longer be a regulation within *The Regulations Act*.

SECTION 15. The Act requires a permit for a commercial motor vehicle or a true copy thereof to be carried in the vehicle for which it was issued and to be produced to a police officer on demand.

The new provision requires that where the permit is a CAVR cab card only the original will suffice.

SECTION 16. Subsection 78 (6) now provides one penalty for failure to comply with subsection 1, 3 or 5 or for obstructing, the penalty being a fine of not less than \$50 and not more than \$100.

The new provisions provide for a fine of not less than \$100 and not more than \$500 and a thirty-day suspension of a driver's licence where the offence is refusing to proceed to a weigh scale.

The fine for refusing to redistribute a load or obstructing a weighing, etc., remains the same.



SECTION 17. The Act now provides that the Lieutenant Governor in Council may designate, by regulation, intersections on the King's Highway at which stop signs shall be erected. The amendment substitutes "Minister" for "Lieutenant Governor in Council".

SECTION 18. Section 100a of the Act provides for the designation by way of regulation of paved shoulders for use by vehicular traffic and for the making of regulations governing the posting of signs. Currently, the regulations are made by the Lieutenant Governor in Council. This is being amended so that "Minister" is substituted for "Lieutenant Governor in Council".

SECTION 19. The provision, as recast, exempts road-building machines and road maintenance and snow removal vehicles from the requirement to follow designated traffic routes.

SECTION 20. Subsection 116 (3) of the Act now reads as follows:

*(3) The Lieutenant Governor in Council may make regulations prohibiting or regulating the parking, standing or stopping of vehicles upon a highway or any part of a highway or upon any class or classes thereof.*

"Minister" is being substituted for "Lieutenant Governor in Council".

Statutes of Ontario, 1979, chapter 57, section 9, is repealed and the following substituted therefor:

(6) Every driver who, when required pursuant to subsection 1 <sup>Penalty</sup> or 3 to proceed to a weigh scale, refuses or fails to do so is guilty of an offence and on conviction is liable to a fine of not less than \$100 and not more than \$500 and to the suspension of his driver's licence for a period of not more than thirty days.

(7) Every driver who, <sup>Idem</sup>

- (a) when required, pursuant to subsection 5, to redistribute or remove part of a load refuses or fails to do so or to make arrangements to do so; or
- (b) obstructs any weighing, measuring or examination authorized by this section,

is guilty of an offence and on conviction is liable to a fine of not less than \$50 and not more than \$100.

**17.** Clause *b* of section 89 of the said Act is amended by striking out "Lieutenant Governor in Council" in the first line and inserting in lieu thereof "Minister". <sup>s. 89 (b), amended</sup>

**18.** Subsection 2 of section 100*a* of the said Act, as enacted by the Statutes of Ontario, 1976, chapter 37, section 14, is amended by striking out "Lieutenant Governor in Council" in the first line and inserting in lieu thereof "Minister". <sup>s. 100*a* (2), amended</sup>

**19.** Clause *c* of section 103 of the said Act, as re-enacted by the Statutes of Ontario, 1976, chapter 37, section 15, is repealed and the following substituted therefor: <sup>s. 103 (c), re-enacted</sup>

- (c) any lane may be designated for slowly moving traffic, traffic moving in a particular direction or classes or types of vehicles provided that official signs are erected to indicate such designation, and, notwithstanding section 93, where a highway is so designated every driver of a vehicle shall obey the instructions on the official signs but this does not apply to a motor vehicle or road-building machine, operated by or on behalf of an authority having jurisdiction and control of the highway, while the vehicle or machine is engaged in construction, marking or maintenance activities on a highway including the removal of snow from a highway.

**20.** Subsection 3 of section 116 of the said Act is amended by striking out "Lieutenant Governor in Council" in the first line and inserting in lieu thereof "Minister". <sup>s. 116 (3), amended</sup>

s. 120 (5),  
re-enacted

- 21.** Subsection 5 of section 120 of the said Act, as amended by the Statutes of Ontario, 1979, chapter 57, section 12, is repealed and the following substituted therefor:

When  
markings  
to be  
covered

(5) The words on a school bus “do not pass when signals flashing” shall be covered or concealed when the school bus is being operated on a highway during a trip that does not at any time during that trip involve the transportation of children or mentally retarded adults to or from a school or a training centre.

s. 156 (1),  
amended

- 22.** Subsection 1 of section 156 of the said Act is amended by inserting after “Ministry” in the second line “or any other ministry of the Government of Ontario”.

Commence-  
ment

- 23.—(1)** This Act, except section 1, section 2 (other than subsection 5a of section 6 of the Act as set out in subsection 3 of section 2) and sections 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 14, 15 and 22, comes into force on the day it receives Royal Assent.

Idem

- (2) Section 1, section 2 (other than subsection 5a of section 6 of the Act as set out in subsection 3 of section 2) and sections 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 14, 15 and 22, come into force on a day to be named by proclamation of the Lieutenant Governor.

Short title

- 24.** The short title of this Act is *The Highway Traffic Amendment Act, 1980*.

SECTION 21. The provision is recast to clarify when school bus markings shall be covered.

SECTION 22. The Act now provides that the Minister may appoint persons from the Ministry staff to be officers for the purpose of carrying out provisions of the Act. The amendment permits him to also appoint persons from other ministries.





An Act to amend  
The Highway Traffic Act

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*1st Reading*

November 14th, 1980

*2nd Reading*

*3rd Reading*

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THE HON. J. W. SNOW  
Minister of Transportation  
and Communications

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*(Government Bill)*

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7-1  
BILL 188

4TH SESSION, 31ST LEGISLATURE, <sup>T</sup>ONTARIO  
29 ELIZABETH II, 1980 *4/2/80*

An Act to amend The Highway Traffic Act

THE HON. J. W. SNOW  
Minister of Transportation and Communications





BILL 188

1980

## An Act to amend The Highway Traffic Act

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

- 1.—(1) Clause *b* of section 5*a* of *The Highway Traffic Act*, being chapter 202 of the Revised Statutes of Ontario, 1970, as enacted by the Statutes of Ontario, 1974, chapter 66, section 1, is repealed and the following substituted therefor: s. 5*a* (b),  
re-enacted

(b) “permit” means a permit issued or validated under subsection 3 of section 6 and includes a CAVR cab card.

- (2) The said section 5*a*, as enacted by the Statutes of Ontario, 1974, chapter 66, section 1 and amended by the Statutes of Ontario, 1979, chapter 103, section 1, is further amended by relettering clauses *a* and *aa* as clauses *aa* and *ab*, respectively, and by adding thereto the following clause: s. 5*a*,  
amended

(a) “CAVR cab card” means a cab card issued by the Ministry pursuant to the Canadian Agreement on Vehicle Registration.

- 2.—(1) Subsection 1 of section 6 of the said Act, as re-enacted by the Statutes of Ontario, 1974, chapter 66, section 2, is amended by striking out “issued or validated under subsection 3” in the seventh and eighth lines. s. 6 (1),  
amended

- (2) Clause *a* of subsection 3 of the said section 6, as re-enacted by the Statutes of Ontario, 1974, chapter 66, section 2, is amended by inserting after “and” in the second line “, except in the case where the permit is a CAVR cab card,”. s. 6 (3) (a),  
amended

- (3) The said section 6, as amended by the Statutes of Ontario, 1973, chapter 45, section 2 and 1974, chapter 66, section 2, is further amended by adding thereto the following subsections: s. 6,  
amended

(4*a*) The Minister may, in his discretion, cancel or refuse to issue a permit, the fee for which is prorated under a Minister  
may cancel  
or refuse  
to issue

reciprocity agreement or arrangement with another jurisdiction, where the owner or lessee has been convicted of an offence under section 12a or if in his opinion the owner or lessee is not entitled to reciprocity privileges under the Canadian Agreement on Vehicle Registration.

Notice of  
proposal

(4b) Where the Minister proposes to cancel or refuse to issue a permit referred to in subsection 4a, he shall notify the permit holder or applicant, as the case may be, of his proposal.

Show  
cause

(4c) A person who has received a notification under subsection 4b may, within thirty days after receiving the notification, submit to the Minister such documents and records as may show cause why the Minister should not cancel or refuse to issue the permit.

Proceeding  
with  
proposal

(4d) Upon the expiration of thirty days after the notification referred to in subsection 4b and consideration of any documents or records submitted under subsection 4c, the Minister may carry out his proposal or refrain from carrying out his proposal.

Permit  
documen-  
tation

(5a) Prior to the issuance or validation of a permit under this section, the Minister may require production of such documentation as he considers necessary to enable him to determine whether a permit may be issued or validated and that documentation may be different for different vehicles or classes of vehicles or in respect of the same vehicles or classes of vehicles used for different purposes.

s. 6a,  
enacted

**3.** The said Act is amended by adding thereto the following section:

Permit  
limitations

6a.—(1) Where the fee prescribed by the regulations for a permit or validated permit for a motor vehicle is calculated with regard to specific limitations or restrictions on the use of a vehicle, the owner of the vehicle shall not drive or cause or permit the vehicle to be driven on a highway except in accordance with such limitations or restrictions.

Penalty

(2) Every person who contravenes the provisions of subsection 1 is guilty of an offence and on conviction is liable to a fine of not less than \$50 and not more than \$200.

s. 7,  
amended

**4.** Section 7 of the said Act, as amended by the Statutes of Ontario, 1974, chapter 66, section 3, 1978, chapter 4, section 2 and 1980, chapter 37, section 3, is further amended by adding thereto the following subsection:

Notice of  
new  
address

(2a) Where the name of a lessee is on a permit and the lessee changes his address from the address shown on the permit or from

that filed under this subsection, he shall within six days send by registered mail to or file with the Ministry notice of his new address.

5. Section 8 of the said Act, as re-enacted by the Statutes of Ontario, 1974, chapter 66, section 4, is amended by adding thereto the following subsection:

s. 8,  
amended

(3) Subsection 1 does not apply to a motor vehicle if the permit therefor is a CAVR cab card.

Where subs. 1  
does not  
apply

6. Subsection 3 of section 9 of the said Act is repealed and the following substituted therefor:

s. 9 (3),  
re-enacted

(3) Where the name of the lessee is on a permit and the lease terminates, the lessor shall, within six days, forward to the Ministry notice thereof together with the permit number.

Notice of  
termination  
of lease

(4) Every number plate, evidence of validation and CAVR cab card furnished by the Ministry under this Act or pursuant to the Canadian Agreement on Vehicle Registration is the property of the Crown and shall be returned to the Ministry when required by the Ministry.

Property  
of the  
Crown

7. Section 11 of the said Act, as re-enacted by the Statutes of Ontario, 1974, chapter 66, section 6, is amended by adding thereto the following subsection:

s. 11,  
amended

(2) Where a peace officer has reason to believe that a CAVR cab card produced by a driver as being the permit for the motor vehicle,

Invalid  
cab card

(a) was not furnished by the Ministry for that motor vehicle;  
or

(b) has been cancelled by the Ministry,

the peace officer may take possession of the CAVR cab card and retain it until the facts in respect of the card have been determined.

8. The said Act is further amended by adding thereto the following sections:

ss. 12a, 12b,  
enacted

12a.—(1) A person to whom a permit is issued for a prorated fee under a reciprocity agreement or arrangement with another jurisdiction shall maintain and preserve such records as are required by regulation during the period of validity of the permit and for the four years immediately following expiry thereof and shall submit such reports to the Ministry as are prescribed by the regulations within the prescribed times.

Records  
to be kept

Production  
of  
records

(2) A person to whom subsection 1 applies shall produce for inspection, within a reasonable time under the prevailing circumstances, the records required under subsection 1 upon the demand of an officer appointed by the Minister to carry out the provisions of this Part.

Examination  
of  
records

(3) An officer appointed by the Minister for carrying out the provisions of this Part may, at any reasonable time, enter the business premises of a person referred to in subsection 1 and examine those books, records and documents of that person that relate to his business of operating commercial vehicles.

Removal  
of  
documents

(4) Any person making an investigation under this section may, upon giving a receipt therefor, remove, for the purpose of making copies, any records produced under subsection 2 or examined under subsection 3 and when he does remove any records, the copies shall be made with reasonable dispatch and the records promptly returned.

Copies as  
evidence

(5) Any copy made under subsection 4 and certified to be a true copy by the person making the copy is admissible in evidence in any action, proceeding or prosecution as *prima facie* proof of the original book, paper or document and its contents.

Penalty

(6) Every person who contravenes subsection 1 or 2 or obstructs, or interferes with an officer in the performance of his duties under subsection 3, is guilty of an offence and on conviction is liable to a fine of not more than \$200 or to imprisonment for a term of not more than six months, or to both.

Regulations

(7) The Lieutenant Governor in Council may make regulations,

(a) prescribing the records to be kept by persons referred to in subsection 1;

(b) governing reports to be made to the Ministry by persons referred to in subsection 1.

Cancellation  
of permit

12b.—(1) Where the fee paid under subsection 3 of section 6 was prorated under a reciprocity agreement or arrangement with another jurisdiction and the appropriate fees are not paid within sixty days after the issue of the permit, the permit shall be deemed to be cancelled upon notice of the cancellation being given to the permit holder.

Notice

(2) Where the notice referred to in subsection 1 is sent by prepaid mail addressed to the person to whom the permit was issued at his latest address appearing on the records of the Ministry, notice shall be deemed to have been given on the fifth day after the day of mailing.



9. Subsections 1 and 2 of section 29 of the said Act are repealed and the following substituted therefor: s. 29 (1, 2),  
re-enacted

(1) Every person aggrieved by a decision of the Minister under subclause i of clause *b* of subsection 4 of section 13 or a decision of the Registrar under section 27 may appeal the decision to The Licence Suspension Appeal Board. Appeal

(2) The Board may confirm, modify or set aside the decision of the Minister or Registrar. Powers of  
Board

- 10.—(1) Subsection 1 of section 35 of the said Act, as re-enacted by the Statutes of Ontario, 1978, chapter 24, section 4, is amended by inserting after “vehicles” in the first line “or trailers”. s. 35 (1),  
amended

(2) Subsection 3 of the said section 35, as re-enacted by the Statutes of Ontario, 1978, chapter 24, section 4, is amended by inserting after “vehicles” in the first line “or trailers”. s. 35 (3),  
amended

(3) Subsection 4 of the said section 35, as re-enacted by the Statutes of Ontario, 1978, chapter 24, section 4, is amended by inserting after “vehicles” in the third line “, trailers”. s. 35 (4),  
amended

(4) Subsection 6 of the said section 35, as re-enacted by the Statutes of Ontario, 1978, chapter 24, section 4, is amended by inserting after “vehicles” in the second line “or trailers”. s. 35 (6),  
amended

(5) Subsection 7 of the said section 35, as re-enacted by the Statutes of Ontario, 1978, chapter 24, section 4, is amended by inserting after “vehicles” in the third line “or trailers”. s. 35 (7),  
amended

11. Subsection 1 of section 36 of the said Act is repealed and the following substituted therefor: s. 36 (1),  
re-enacted

(1) Every person who buys, sells, wrecks or otherwise deals in second-hand motor vehicles, trailers or bicycles shall keep a complete record of all motor vehicles, trailers and bicycles bought, sold or wrecked and of such information as will enable the motor vehicles, trailers and bicycles to be readily identified, and shall transmit to the Ministry, within six days after the event, on forms furnished by the Ministry, a statement of each motor vehicle or trailer bought, sold or wrecked by him and such information with reference thereto as may be required by the Ministry. Record of  
second-hand  
vehicles  
bought,  
sold, etc.

- 12.—(1) Subsection 2 of section 58*b* of the said Act, as enacted by the Statutes of Ontario, 1973, chapter 167, section 8, is amended by inserting after “permit” in the first line “other than a CAVR cab card”. s. 58*b* (2),  
amended

s. 58b (3),  
amended

- (2) Subsection 3 of the said section 58b is amended by inserting after “permit” in the first line “other than a CAVR cab card”.

s. 60 (1) (a),  
re-enacted

- 13.—**(1) Clause a of subsection 1 of section 60 of the said Act is repealed and the following substituted therefor:

- (a) requiring the use or incorporation of any device or any equipment, in or on any vehicle or any class of vehicle, that may affect the safe operation of the vehicle on the highway or that may reduce or prevent injury to persons using the highway, and prescribing the specifications and regulating the installation thereof.

s. 60 (1),  
amended

- (2) Subsection 1 of the said section 60, as amended by the Statutes of Ontario, 1973, chapter 45, section 19 and 1977, chapter 54, section 10, is further amended by adding thereto the following clause:

- (f) exempting any type or class of vehicle or any class of driver or passenger in a vehicle from the provisions of any regulations made under this section.

s. 75 (2),  
re-enacted

- 14.—**(1) Subsection 2 of section 75 of the said Act, as re-enacted by the Statutes of Ontario, 1977, chapter 65, section 3, and amended by the Statutes of Ontario, 1978, chapter 90, section 6, is repealed and the following substituted therefor:

- (2) For the purposes of this section, an official of the Ministry authorized by the Minister in writing may designate the date on which a “freeze-up” shall commence and the date on which a “freeze-up” shall terminate and the part of the Province to which the designation shall apply.

Designation  
of  
“freeze-up”

s. 75,  
amended

- (2) The said section 75 is amended by adding thereto the following subsection:

- (2a) A designation under subsection 2 is not a regulation within the meaning of *The Regulations Act*.

R.S.O. 1970,  
c. 410 does  
not apply

s. 77,  
amended

- 15.** Section 77 of the said Act, as re-enacted by the Statutes of Ontario, 1977, chapter 65, section 3, is amended by adding thereto the following subsection:

Idem

- (2a) Where the permit referred to in subsection 2 is a CAVR cab card, the requirements of subsection 2 apply to the original permit and not to any copy thereof and to the permit from the jurisdiction that issued the number plates for the vehicle.

s. 78 (6),  
re-enacted

- 16.** Subsection 6 of section 78 of the said Act, as enacted by the Statutes of Ontario, 1977, chapter 65, section 3 and amended by the



Statutes of Ontario, 1979, chapter 57, section 9, is repealed and the following substituted therefor:

(6) Every driver who, when required pursuant to subsection 1 <sup>Penalty</sup>  
or 3 to proceed to a weigh scale, refuses or fails to do so is guilty of  
an offence and on conviction is liable to a fine of not less than \$100  
and not more than \$500 and to the suspension of his driver's  
licence for a period of not more than thirty days.

(7) Every driver who, <sup>Idem</sup>

(a) when required, pursuant to subsection 5, to redistribute  
or remove part of a load refuses or fails to do so or to  
make arrangements to do so; or

(b) obstructs any weighing, measuring or examination  
authorized by this section,

is guilty of an offence and on conviction is liable to a fine of not less  
than \$50 and not more than \$100.

**17.** Clause *b* of section 89 of the said Act is amended by striking out <sup>s. 89 (b),  
amended</sup>  
"Lieutenant Governor in Council" in the first line and inserting in  
lieu thereof "Minister".

**18.** Subsection 2 of section 100*a* of the said Act, as enacted by the <sup>s. 100*a* (2),  
amended</sup>  
Statutes of Ontario, 1976, chapter 37, section 14, is amended by  
striking out "Lieutenant Governor in Council" in the first line and  
inserting in lieu thereof "Minister".

**19.** Clause *c* of section 103 of the said Act, as re-enacted by the Statutes <sup>s. 103 (c),  
re-enacted</sup>  
of Ontario, 1976, chapter 37, section 15, is repealed and the follow-  
ing substituted therefor:

(c) any lane may be designated for slowly moving traffic,  
traffic moving in a particular direction or classes or types  
of vehicles provided that official signs are erected to  
indicate such designation, and, notwithstanding section  
93, where a highway is so designated every driver of a  
vehicle shall obey the instructions on the official signs  
but this does not apply to a motor vehicle or road-build-  
ing machine, operated by or on behalf of an authority  
having jurisdiction and control of the highway, while  
the vehicle or machine is engaged in construction,  
marking or maintenance activities on a highway  
including the removal of snow from a highway.

**20.** Subsection 3 of section 116 of the said Act is amended by striking out <sup>s. 116 (3),  
amended</sup>  
"Lieutenant Governor in Council" in the first line and inserting in  
lieu thereof "Minister".

s. 120 (5),  
re-enacted

- 21.** Subsection 5 of section 120 of the said Act, as amended by the Statutes of Ontario, 1979, chapter 57, section 12, is repealed and the following substituted therefor:

When  
markings  
to be  
covered

(5) The words on a school bus "do not pass when signals flashing" shall be covered or concealed when the school bus is being operated on a highway during a trip that does not at any time during that trip involve the transportation of children or mentally retarded adults to or from a school or a training centre.

s. 156 (1),  
amended

- 22.** Subsection 1 of section 156 of the said Act is amended by inserting after "Ministry" in the second line "or any other ministry of the Government of Ontario".

Commence-  
ment

- 23.—**(1) This Act, except section 1, section 2 (other than subsection 5a of section 6 of the Act as set out in subsection 3 of section 2) and sections 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 14, 15 and 22, comes into force on the day it receives Royal Assent.

Idem

(2) Section 1, section 2 (other than subsection 5a of section 6 of the Act as set out in subsection 3 of section 2) and sections 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 14, 15 and 22, come into force on a day to be named by proclamation of the Lieutenant Governor.

Short title

- 24.** The short title of this Act is *The Highway Traffic Amendment Act, 1980*.



An Act to amend  
The Highway Traffic Act

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*1st Reading*

November 14th, 1980

*2nd Reading*

December 11th, 1980

*3rd Reading*

December 12th, 1980

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THE HON. J. W. SNOW  
Minister of Transportation  
and Communications

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4TH SESSION, 31ST LEGISLATURE, ONTARIO  
29 ELIZABETH II, 1980

## The Dangerous Goods Transportation Act, 1980

THE HON. J. W. SNOW  
Minister of Transportation and Communications

#### EXPLANATORY NOTE

The purpose of the Bill is to regulate the transportation of dangerous goods in vehicles on Ontario highways.

The main features of the Bill are as follows:

1. The transportation of dangerous goods in a vehicle on a highway is prohibited except in accordance with prescribed safety requirements (section 3).
2. Certain exemptions are provided (section 2).
3. Dangerous goods are set out in the Schedule.
4. Provision is made for regulations to prescribe safety requirements for containers, packaging and vehicles.
5. The Act binds the Crown (section 2 (5) ).
6. Provision is made for designation of inspectors (section 10).
7. The powers of inspectors are set out (section 11).
8. Provision is made to enter into agreements with the Government of Canada with respect to the administration and enforcement of the Act (section 13).

BILL 189

1980

## The Dangerous Goods Transportation Act, 1980

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

### 1. In this Act,

Interpre-  
tation

- (a) “analyst” means any person designated as an analyst pursuant to the *Transportation of Dangerous Goods Act* (Canada); 1980, c. ...  
(Can.)
- (b) “container” means an article of transport equipment, including one that is carried on a chassis, that is strong enough to be suitable for repeated use and is designed to facilitate the transportation of goods without intermediate reloading, but does not include a vehicle;
- (c) “dangerous goods” means any product, substance or organism included by its nature or by the regulations in any of the classes listed in the Schedule;
- (d) “highway” means a highway as defined in *The Highway Traffic Act*; R.S.O. 1970,  
c. 202
- (e) “inspector” means any person designated as an inspector by the Minister under this Act;
- (f) “Minister” means the Minister of Transportation and Communications;
- (g) “packaging” means any receptacle or enveloping material used to contain or protect goods, but does not include a container or a means of transport;
- (h) “prescribed” means prescribed by the regulations;
- (i) “regulations” means the regulations made under this Act unless the context indicates otherwise;



- (j) “safety mark” includes any design, symbol, device, sign, label, placard, letter, word, number, abbreviation or any combination thereof that is to be displayed on dangerous goods, packaging or containers or vehicles used in the transporting of dangerous goods;
- (k) “safety requirements” means requirements for the transporting of dangerous goods, for the reporting of those activities, for the training of persons engaged in those activities and for the inspection of those activities;
- (l) “safety standards” means standards regulating the design, construction, equipping, functioning or performance of containers, packaging or vehicles used in the transporting of dangerous goods;
- (m) “shipping document” means any document that accompanies dangerous goods being transported and that describes or contains information relating to the goods and, in particular, but without restricting the generality of the foregoing, includes a bill of lading, cargo manifest, shipping order or way-bill;
- (n) “*Transportation of Dangerous Goods Act (Canada)*” means the *Transportation of Dangerous Goods Act (Canada)*, as amended from time to time and includes the regulations made under that Act from time to time unless the context indicates otherwise.

Where Act  
does not  
apply

**2.—(1)** This Act does not apply to dangerous goods transported in a vehicle,

- (a) while under the sole direction or control of the Minister of National Defence for Canada; or
- (b) for which a permit is issued under subsection 2 while there is compliance with the permit.

Permit

(2) The Minister or a person designated by him may issue a permit exempting, from the application of this Act, the transportation of dangerous goods in a vehicle.

Idem

(3) A permit issued under subsection 2 is subject to such terms and conditions as the issuer considers appropriate and are contained in the permit.

Person  
designated

(4) The Minister may designate in writing any person as a person authorized to issue a permit referred to in subsection 2.

(5) This Act is binding on Her Majesty in right of Canada or a province and any agent thereof. Application to Crown

**3.** No person shall transport any dangerous goods in a vehicle on a highway unless, Offences

- (a) all applicable prescribed safety requirements are complied with; and
- (b) the vehicle and all containers and packaging in it comply with all applicable prescribed safety standards and display all applicable prescribed safety marks.

**4.—(1)** Every person who contravenes section 3 is guilty of an offence and is liable on the first conviction to a fine of not more than \$50,000, and on each subsequent conviction to a fine of not more than \$100,000. Penalty

(2) Every person who contravenes any provision of this Act or the regulations for which no other penalty is provided by this Act is guilty of an offence and is liable on conviction to a fine of not more than \$10,000. Idem

(3) No proceedings under this section may be instituted after two years from the day the offence was committed. Time limit

**5.** No prosecution shall be instituted under this Act without the consent of a police officer or of an officer of the Ministry of Transportation and Communications designated by the Minister to assist in the enforcement of this Act. Consent to prosecutions

**6.** It is a defence to a charge under this Act for the accused to establish that he took all reasonable measures to comply with this Act. Defence

**7.** In any prosecution for an offence under this Act, it is sufficient proof of the offence to establish that it was committed by an employee or agent of the accused whether or not the employee or agent is identified or has been prosecuted for the offence, but it is a defence for the accused to establish that the offence was committed without his knowledge or that he took all reasonable measures to prevent its commission. Offences by employee or agent

**8.** Any officer, director or agent of the corporation who directed, authorized, assented to, acquiesced in or participated in the commission of an offence is a party to and guilty of the offence and is liable on conviction to the penalty provided for the offence whether or not the corporation has been prosecuted or convicted. Officers, etc., of corporation

Certificate  
or report of  
inspector  
or analyst

**9.—**(1) Subject to subsections 3 and 4, a certificate or report appearing to have been signed by an inspector or analyst stating that he has made an inspection or analyzed or examined a vehicle, product, substance or organism and stating the results of the inspection, analysis or examination is admissible in evidence in any prosecution for an offence under this Act without proof of the signature or official character of the person appearing to have signed the certificate or report and, in the absence of any evidence to the contrary, is proof of the statements contained in the certificate or report.

Copies or  
extracts

(2) Subject to subsections 3 and 4, a copy or an extract made by an inspector under clause *b* of subsection 2 of section 11 and appearing to have been certified under his signature as a true copy or extract is admissible in evidence in any prosecution for an offence under this Act without proof of the signature or official character of the person appearing to have signed the copy or extract and, in the absence of any evidence to the contrary, has the same probative force as the original document would have if it had been proved in the ordinary way.

Attendance  
of inspector  
or analyst

(3) The party against whom a certificate or report is produced under subsection 1 or against whom a copy or an extract is produced under subsection 2 may require the attendance of the inspector or analyst who signed or appears to have signed the certificate, report, copy or extract for the purposes of cross-examination.

Notice

(4) No certificate, report, copy or extract referred to in subsection 1 or 2 shall be received in evidence unless the party intending to produce it has served on the party against whom it is intended to be produced a notice of such intention together with a duplicate of the certificate, report, copy or extract.

Designation  
of inspectors

**10.—**(1) The Minister may designate any person as an inspector for the purposes of this Act.

Inspector  
to show  
certificate

(2) An inspector shall be furnished with a certificate of his designation and, on inspecting any container, packaging or vehicle he shall, if so required, produce the certificate to the person in charge thereof.

Certificate

(3) Where an inspector inspects or takes a sample of anything under this Act he shall, if the thing is sealed or closed up, provide the person in charge of it with a certificate in prescribed form evidencing the inspection or taking of the sample.

Effect of  
certificate

(4) A certificate provided under subsection 3 relieves the person to or for whose benefit it is provided of liability with respect to the inspection or taking of a sample evidenced by the certificate, but

does not otherwise exempt that person from compliance with this Act and the regulations.

**11.**—(1) For the purpose of ensuring compliance with this Act and the regulations, an inspector may, at any time, stop and inspect a vehicle and its load where he believes that dangerous goods are being transported, and request the opening and inspection of or open and inspect any container, packaging or vehicle on a highway wherein or whereby he believes that the dangerous goods are being transported. Powers of inspectors

(2) On inspecting any container, packaging or vehicle under subsection 1, an inspector may, Inspection

(a) for the purpose of analysis, take samples of anything found therein that he believes on reasonable and probable grounds to be dangerous goods; and

(b) examine and make copies and extracts of any books, records, shipping documents or other documents or papers that he believes on reasonable and probable grounds contain any information relevant to the administration or enforcement of this Act and the regulations.

(3) The owner or person who has the charge, management or control of any container, packaging or vehicle inspected under subsection 1 shall give an inspector all reasonable assistance in his power to enable the inspector to carry out his duties and functions under this Act. Assistance to inspectors

(4) No person shall, while an inspector is exercising his powers or carrying out his duties and functions under this Act, Obstruction of inspectors

(a) fail to comply with any reasonable request of the inspector;

(b) knowingly make any false or misleading statement either verbally or in writing to the inspector;

(c) except with the authority of the inspector, remove, alter or interfere in any way with anything removed by the inspector; or

(d) otherwise obstruct or hinder the inspector.

**12.**—(1) The Lieutenant Governor in Council may make regulations, Regulations

(a) prescribing products, substances and organisms to be included in the classes listed in the Schedule;

- (b) establishing divisions, subdivisions and groups of dangerous goods and classes thereof;
- (c) specifying, for each product, substance and organism prescribed under clause *a*, the class listed in the Schedule and the division, subdivision or group into which it falls;
- (d) determining or providing the manner of determining the class listed in the Schedule and the division, subdivision or group into which any dangerous goods not prescribed under clause *a* falls;
- (e) exempting from the application of this Act and the regulations or any provision thereof the transporting of dangerous goods in such quantities or concentrations, in such circumstances, for such purposes or in such vehicles as are specified in the regulations;
- (f) prescribing the manner of identifying any quantities or concentrations of dangerous goods exempted under clause *e*;
- (g) prescribing the manner in which a permit under clause *b* of subsection 1 of section 2 shall be applied for and issued;
- (h) prescribing safety marks, safety requirements and safety standards of general or particular application;
- (i) prescribing shipping documents and other documents to be used in respect of the transporting of dangerous goods in a vehicle on a highway, the information to be included in such documents and the persons by whom and manner in which such documents are to be used and retained;
- (j) prescribing forms for the purposes of this Act and the regulations;
- (k) amending the Schedule.

Code, etc.,  
may be  
adopted by  
reference

(2) Any regulation made under subsection 1 may adopt by reference, in whole or in part, with such changes as the Lieutenant Governor in Council considers necessary any code or standard, or any regulation made by the Government of Canada, and may require compliance with any code, standard or regulation that is so adopted.

Agreements  
respecting  
enforcement

**13.**—(1) The Minister may, with the approval of the Lieutenant Governor in Council, enter into an agreement with the Government of Canada with respect to the administration and



enforcement of this Act and the regulations or any provision thereof.

(2) An agreement entered into under subsection 1 may provide for any matters necessary for or incidental to the implementation, administration or enforcement agreed on and for the apportionment of any costs, expenses or revenues arising therefrom.

Costs,  
expenses,  
revenues  
and related  
matters

**14.** In the event of any inconsistency between the regulations made under this Act and any orders, rules or regulations made under any other Act, the regulations made under this Act prevail to the extent of the inconsistency.

Inconsistent  
provisions

**15.** This Act comes into force on a day to be named by proclamation of the Lieutenant Governor.

Commence-  
ment

**16.** The short title of this Act is *The Dangerous Goods Transportation Act, 1980*.

Short title

## SCHEDULE

Class 1 — Explosives, including explosives within the meaning of the *Explosives Act* (Canada)

Class 2 — Gases: compressed, deeply refrigerated, liquefied or dissolved under pressure

Class 3 — Flammable and combustible liquids

Class 4 — Flammable solids; substances liable to spontaneous combustion; substances that on contact with water emit flammable gases

Class 5 — Oxidizing substances; organic peroxides

Class 6 — Poisonous (toxic) and infectious substances

Class 7 —

Class 8 — Corrosives

Class 9 — Miscellaneous products, substances or organisms considered by the Lieutenant Governor in Council to be dangerous to life, health, property or the environment when transported in a vehicle on a highway and prescribed to be included in this class.







The Dangerous Goods Transportation  
Act, 1980

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*1st Reading*

November 14th, 1980

*2nd Reading*

*3rd Reading*

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THE HON. J. W. SNOW  
Minister of Transportation and  
Communications

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*(Government Bill)*

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4TH SESSION, 31ST LEGISLATURE, ONTARIO  
29 ELIZABETH II, 1980

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**An Act respecting  
Urban Transportation Development Corporation Ltd.**

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THE HON. J. W. SNOW  
Minister of Transportation and Communications

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#### EXPLANATORY NOTE

The purpose of the Bill is, in part, to clarify that Urban Transportation Development Corporation, a corporation incorporated under the *Canada Corporations Act* with Ontario being the sole shareholder, is not a Crown agency or an agent of the Crown.

It also provides that the Lieutenant Governor in Council, on behalf of Ontario, may guarantee the performance by Urban Transportation Development Corporation of any contract of indemnity to which the Corporation is a party.

BILL 190

1980

## An Act respecting Urban Transportation Development Corporation Ltd.

**H**ER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

**1.** In this Act, "Urban Transportation Development Corporation" means the Urban Transportation Development Corporation Ltd., a corporation incorporated by letters patent dated the 10th day of October, 1974 issued under the *Canada Corporations Act*. Interpre-  
tation  
  
R.S.C. 1970,  
c. C-32

**2.** It is hereby declared that the Urban Transportation Development Corporation is not an agent of Her Majesty at common law nor a Crown agency within the meaning of *The Crown Agency Act*. Not a Crown  
agency  
  
R.S.O. 1970,  
c. 100

**3.—(1)** The Lieutenant Governor in Council may, on behalf of the Province of Ontario, on such terms as are approved by order in council, enter into any covenants or agreements of guaranty or indemnity in connection with any contract of indemnity to which Urban Transportation Development Corporation is a party and may guarantee the observance and performance by Urban Transportation Development Corporation of any such contract of indemnity or indemnify any person in the event of any failure by Urban Transportation Development Corporation to perform any such contract of indemnity. Guaranteeing  
performance  
of contract  
of indemnity

(2) All moneys required to be paid by the terms of a guaranty or indemnity under subsection 1 shall be paid out of the Consolidated Revenue Fund. Payment  
of moneys

**4.** This Act comes into force on the day it receives Royal Assent. Commence-  
ment

**5.** The short title of this Act is *The Urban Transportation Development Corporation Ltd. Act, 1980*. Short title

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## BILL 190

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An Act respecting  
Urban Transportation Development  
Corporation Ltd.

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*1st Reading*

November 14th, 1980

*2nd Reading*

*3rd Reading*

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THE HON. J. W. SNOW  
Minister of Transportation and  
Communications

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*(Government Bill)*

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4TH SESSION, 31ST LEGISLATURE, ONTARIO  
29 ELIZABETH II, 1980

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**An Act respecting  
Urban Transportation Development Corporation Ltd.**

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THE HON. J. W. SNOW  
Minister of Transportation and Communications

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BILL 190

1980

## An Act respecting Urban Transportation Development Corporation Ltd.

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

**1.** In this Act, "Urban Transportation Development Corporation" means the Urban Transportation Development Corporation Ltd., a corporation incorporated by letters patent dated the 10th day of October, 1974 issued under the *Canada Corporations Act*. Interpre-  
tation  
  
R.S.C. 1970,  
c. C-32

**2.** It is hereby declared that the Urban Transportation Development Corporation is not an agent of Her Majesty at common law nor a Crown agency within the meaning of *The Crown Agency Act*. Not a Crown  
agency  
  
R.S.O. 1970,  
c. 100

**3.**—(1) The Lieutenant Governor in Council may, on behalf of the Province of Ontario, on such terms as are approved by order in council, enter into any covenants or agreements of guaranty or indemnity in connection with any contract of indemnity to which Urban Transportation Development Corporation is a party and may guarantee the observance and performance by Urban Transportation Development Corporation of any such contract of indemnity or indemnify any person in the event of any failure by Urban Transportation Development Corporation to perform any such contract of indemnity. Guaranteeing  
performance  
of contract  
of indemnity

(2) All moneys required to be paid by the terms of a guaranty or indemnity under subsection 1 shall be paid out of the Consolidated Revenue Fund. Payment  
of moneys

**4.** This Act comes into force on the day it receives Royal Assent. Commence-  
ment

**5.** The short title of this Act is *The Urban Transportation Development Corporation Ltd. Act, 1980*. Short title

An Act respecting  
Urban Transportation Development  
Corporation Ltd.

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*1st Reading*

November 14th, 1980

*2nd Reading*

December 11th, 1980

*3rd Reading*

December 12th, 1980

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THE HON. J. W. SNOW  
Minister of Transportation and  
Communications

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4TH SESSION, 31ST LEGISLATURE, ONTARIO  
29 ELIZABETH II, 1980

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*Legislative Assembly*

**An Act to amend  
The Employment Standards Act, 1974**

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THE HON. R. G. ELGIE  
Minister of Labour

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#### EXPLANATORY NOTES

SECTION 1.—Subsection 1. The re-enacted subsection 5 of section 40 will give the Minister specific authority to require employers to participate in and contribute to the funding of committees to facilitate the re-establishment in employment of employees who are being terminated.

Subsection 2. The re-enacted clause *b* of subsection 6 of section 40 clarifies that contributions to benefit plans must be maintained during the notice period.

Subsection 3. The re-enacted subsection 7 provides that employers who terminate employees without notice must continue to pay contributions to benefit plans during the period for which notice should have been given. The re-enacted provision also provides that employees are deemed to have worked during the period for which notice should have been given in order that they will be entitled to benefits during that period.

BILL 191

1980

## An Act to amend The Employment Standards Act, 1974

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

- 1.—(1) Subsection 5 of section 40 of *The Employment Standards Act, 1974*, being chapter 112, is repealed and the following substituted therefor: s. 40 (5),  
re-enacted
  - (5) Where the Minister so requires, the employer shall, Duty of  
employer
    - (a) participate in the establishment and operation of a committee, upon such terms as the Minister considers necessary, to facilitate the re-establishment in employment of employees being terminated; and
    - (b) contribute to the costs and expenses of the establishment and operation of the committee and its members as directed or approved by the Minister.
- (2) Clause *b* of subsection 6 of the said section 40 is repealed and the following substituted therefor: s. 40 (6) (b),  
re-enacted
  - (b) an employer shall pay during the period of notice,
    - (i) the wages the employee is entitled to receive, which in no case shall be less than his regular wages for a regular non-overtime work week, and
    - (ii) those contributions to be made with respect to a fund, plan or arrangement to which Part X applies in order to maintain the benefits to which the employee is entitled; and
- (3) Subsection 7 of the said section 40 is repealed and the following substituted therefor: s. 40 (7),  
re-enacted

Where  
employment  
terminated  
contrary  
to section

(7) Where the employment of an employee is terminated contrary to this section,

- (a) the employer shall pay termination pay, in an amount equal to the wages that the employee would have been entitled to receive at his regular rate for a regular non-overtime work week for the period of notice prescribed by subsection 1 or 2, and any wages to which he is entitled;
- (b) the employer shall pay during the period of notice prescribed by subsection 1 or 2 those contributions to be made with respect to a fund, plan or arrangement to which Part X applies in order to maintain the benefits to which the employee is entitled during that period; and
- (c) the employee shall be deemed during the period of notice prescribed by subsection 1 or 2 to be actively employed on the same terms and conditions existing during his employment for the purpose of entitlement to benefits under a plan, fund or arrangement to which Part X applies.

s. 40,  
amended

(4) The said section 40 is amended by adding thereto the following subsection:

Employer's  
contributions  
deemed to be  
wages

(9) Notwithstanding subclause iv of clause *p* of section 1, the contributions to be made under subsection 6 or 7 with respect to a fund, plan or arrangement to which Part X applies shall, for the purposes of Part XIII, be deemed to be wages to which an employee is entitled.

Commence-  
ment

**2.** This Act comes into force on the day it receives Royal Assent.

Short title

**3.** The short title of this Act is *The Employment Standards Amendment Act, 1980*.

Subsection 4. The proposed subsection 9 deems the contributions to benefit plans to be wages for the purposes of the administration provisions of the Act.







An Act to amend  
The Employment Standards Act, 1974

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*1st Reading*

November 14th, 1980

*2nd Reading*

*3rd Reading*

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THE HON. R. G. ELGIE  
Minister of Labour

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*(Government Bill)*

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4TH SESSION, 31ST LEGISLATURE, ONTARIO  
29 ELIZABETH II, 1980

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*Legislative Assembly*

An Act to revise  
The Toronto Hospitals Steam Corporation Act, 1968-69

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THE HON. T. L. WELLS  
Minister of Intergovernmental Affairs

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#### EXPLANATORY NOTE

This Bill provides for the reorganization of the Toronto Hospitals Steam Corporation and extends its power with respect to the supply of steam. At present, the Corporation may supply steam only to the Toronto General Hospital, The Hospital for Sick Children, Mount Sinai Hospital and Women's College Hospital. After the reorganization, the Corporation will be able to supply steam to any user of steam located adjacent to the Corporation's distribution pipes. Major customers will include the University of Toronto and the Province of Ontario.

The Act will enable the Corporation to purchase or lease the steam utility division of the Toronto Electric Commissioners. The Bill also provides for the transfer of those employees of the Toronto Electric Commissioners and Toronto General Hospital to the Corporation who will be affected by the reorganization of the Toronto Hospitals Steam Corporation.

The Corporation's board of directors will consist of members appointed by the City of Toronto, the Hospitals, the University of Toronto and the Minister of Intergovernmental Affairs.

BILL 192

1980

**An Act to revise  
The Toronto Hospitals Steam  
Corporation Act, 1968-69**

**H**ER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

**1.** In this Act,

Interpre-  
tation

- (a) "Board" means the board of directors of the Corporation;
- (b) "City" means The Corporation of the City of Toronto;
- (c) "Corporation" means the body corporate continued by subsection 1 of section 2;
- (d) "Hospitals" means The Trustees of the Toronto General Hospital, The Hospital for Sick Children, Mount Sinai Hospital and Women's College Hospital;
- (e) "Minister" means the Minister of Intergovernmental Affairs or such other member of the Executive Council as the Lieutenant Governor in Council designates;
- (f) "Participating Institutions" means The Nightingale School of Nursing, The Queen Elizabeth Hospital and the Toronto Institute of Medical Technology;
- (g) "steam" means steam or hot water;
- (h) "University" means The Governing Council of the University of Toronto. 1968-69, c. 131, s. 1, *amended*.

**PART I**

**TORONTO DISTRICT HEATING CORPORATION**

**2.**—(1) The Toronto Hospitals Steam Corporation is hereby continued as a body corporate without share capital under the name "Toronto District Heating Corporation".

Toronto  
Hospitals  
Steam  
Corporation  
continued

Change not  
to affect  
rights, etc.

(2) The change in the name of the Corporation does not affect its rights or obligations, and without restricting the generality of the foregoing, nothing in this Act affects the rights of creditors of the Toronto Hospitals Steam Corporation against the property, rights and assets of the Corporation and all liens upon the property, rights and assets of the Toronto Hospitals Steam Corporation are unimpaired by this continuation and reconstitution and all debts, contracts, liabilities and duties of the Toronto Hospitals Steam Corporation are debts, contracts, liabilities and duties of the Corporation and may be enforced against it including, without limitation, the debts and obligations created by or pursuant to a certain trust deed dated as of the 15th day of December, 1972 between the Toronto Hospitals Steam Corporation and the Canada Permanent Trust Corporation.

Head  
office

(3) The head office of the Corporation shall be in the City of Toronto.

Seal

(4) The Corporation shall have a seal which shall be adopted by resolution or by-law. *New.*

Composition  
of Board

**3.** There shall be a board of directors of the Corporation consisting of ten directors of whom,

- (a) four shall be appointed by the City, at least one of whom shall be a representative of a user of steam purchased from the Corporation, other than the Hospitals, the City, the University or the Province of Ontario;
- (b) two shall be appointed by the Hospitals;
- (c) two shall be appointed by the Minister; and
- (d) two shall be appointed by the University. 1968-69, c. 131, s. 2, *part, amended.*

Term of  
office

**4.—(1)** Every director shall be a resident Canadian and shall, subject to subsection 2, hold office during the pleasure of his appointor, and upon the death, resignation or removal from office of any director, the appointor of such director under section 3 may appoint some other person in his place.

City  
appointees

(2) Every director appointed by the City shall be appointed for a term of office not exceeding the term of office of the members of the council that made the appointment and shall hold office until his successor is appointed and every such director is eligible for reappointment.

Quorum

(3) Five directors constitute a quorum at meetings of the Board.

- (4) The directors shall elect a chairman from among the persons appointed to the Board by the City. Chairman
- (5) The chairman shall preside at all meetings of the Board. Duties of chairman
- (6) The Board may appoint one of its members to be vice-chairman, and, in the case of the absence of the chairman or of there being a vacancy in the office of the chairman, the vice-chairman shall act as and have all the powers of the chairman. Vice-chairman
- (7) In the absence of the chairman and vice-chairman, the Board may appoint one of its members to act as chairman for the time being and the person so appointed shall act as and have all the powers of the chairman. Acting chairman
- (8) The Corporation may pay the directors, or any of them, such remuneration and expenses as are from time to time recommended by the Board and approved by the City. Remuneration and expenses
- (9) Where there is a vacancy or vacancies in the Board, the remaining directors may exercise all the powers of the Board so long as a quorum of the Board remains in office. 1968-69, c. 131, s. 3, *amended*. Vacancies
- 5.** The acts of a director or of an officer are valid notwithstanding any defect that may afterwards be discovered in his appointment or qualification. 1968-69, c. 131, s. 4. Validity of acts of directors and officers
- 6.** Every director and his heirs, executors and administrators, and estate and effects, respectively, may, with the consent of the Board, from time to time and at all times, be indemnified and saved harmless out of the funds of the Corporation, from and against,
- (a) any liability and all costs, charges and expenses that he sustains or incurs in respect of any action or proceeding that is proposed or commenced against him for or in respect of anything done or permitted by him in respect of the execution of the duties of his office; and
  - (b) all other costs, charges and expenses that he sustains or incurs in respect of the affairs of the Corporation, except such costs, charges or expenses as are occasioned by his own wilful neglect or default. 1968-69, c. 131, s. 5.
- 7.—(1)** The Board may authorize the election from among the directors of an executive committee consisting of not fewer than three members, at least one of whom is not a person appointed to the Board by the City. Executive committee



Delegation  
of powers

(2) The Board may delegate to the executive committee any powers of the Board, subject to the restrictions, if any, imposed by the Board.

Quorum

(3) An executive committee may fix its quorum at not fewer than a majority of its members and may make rules governing its proceedings. 1968-69, c. 131, s. 6, *amended*.

Powers and  
duties of  
Board

**8.**—(1) The Board has the management and control of the affairs of the Corporation and has power to make by-laws governing its proceedings and the calling of meetings of the Board, providing for the appointment of officers of the Corporation, specifying the powers, duties and remuneration of officers, employees and agents of the Corporation, and generally dealing with the management of the affairs of the Corporation.

Contracts

(2) The Board shall at its first meeting, which shall be held within thirty days of the coming into force of this section, adopt in the name of and on behalf of the Corporation the contracts, agreements and supplemental indenture referred to in subsection 1 of section 29 as negotiated by the interim committee. 1968-69, c. 131, s. 7, *amended*.

Disclosure  
by directors  
of interests  
in contracts

**9.**—(1) Every director of the Corporation who is directly or indirectly interested in a contract or a proposed contract with the Corporation shall declare his interest at a meeting of the Board and, in respect of such contract or proposed contract, shall not vote or be counted in the quorum.

Time of  
declaration

(2) In the case of a proposed contract, the declaration required by this section shall be made at the meeting of the Board at which the question of entering into the contract is first taken into consideration or, if the director is not at the date of that meeting interested in the proposed contract, at the next meeting of the Board held after he becomes so interested, and, in a case where the director becomes interested in a contract after it is made, the declaration shall be made at the first meeting of the Board held after he becomes so interested.

General  
notice

(3) For the purposes of this section, a general notice given to the Board by a director to the effect that he is interested in any other company, institution or governmental body or is a member of a specified firm and is to be regarded as interested in any contract made with such other company, institution, governmental body or firm shall be deemed to be a sufficient declaration of interest in relation to a contract so made, but no such notice is effective unless it is given at a meeting of the Board or the director takes reasonable steps to ensure that it is brought up and read at the next meeting of the Board after it is given.

(4) If a director has made a declaration of his interest in a proposed contract or contract in compliance with this section and has not voted in respect of the contract, he is not accountable to the Corporation or to any of its creditors for any profit realized from the contract, and the contract is not voidable by reason only of his holding that office or of the fiduciary relationship established thereby. Effect of declaration

(5) A director shall be deemed not to have an interest in a contract or proposed contract by reason only of his being an appointee of a party referred to in section 3. *New.* Saving

**10.**—(1) *The Corporations Act, The Municipal Franchises Act and The Mortmain and Charitable Uses Act* do not apply to the Corporation. Application of R.S.O. 1970, cc. 89, 289, 280

(2) Section 58 of *The Public Utilities Act* does not apply to the Corporation. 1968-69, c. 131, s. 9 (1, 2). Application of R.S.O. 1970, c. 390, s. 58

(3) Except for purposes of the Ontario Municipal Employees Retirement System, The Corporation shall be deemed not to be a local board of the City. Corporation not a local board

(4) The Corporation shall be deemed to have elected to participate in the Ontario Municipal Employees Retirement System. *New.* Participation in O.M.E.R.S.

**11.** A copy of any by-law, resolution or minute certified by the secretary or assistant secretary under the seal of the Corporation to be a true copy may be received in evidence in any court as *prima facie* proof of its making and content. 1968-69, c. 131, s. 8. Authentication of by-laws, etc.

**12.** The objects of the Corporation are to construct, purchase or otherwise acquire, own, lease, maintain, operate, extend, replace and manage steam plants, including refuse-fired steam plants, steam distribution systems, steam condensate return systems and steam supply systems within the City of Toronto for the purpose of supplying steam to users thereof including, without limiting the generality of the foregoing, the acquisition by purchase or lease of all of the assets and undertaking of the steam utility division of the Toronto Electric Commissioners. 1968-69, c. 131, s. 10 (1), *amended.* Objects

**13.**—(1) The powers of the Corporation include, without limiting the generality of section 12, Powers

(a) subject to subsection 2 of section 10, the powers conferred on a company incorporated for the purpose of owning, operating or supplying a public utility under *The Public Utilities Act*, but, R.S.O. 1970, c. 390

- (i) the Corporation shall notify in writing the municipality or authority on which duty to repair has been imposed and the municipality or authority having jurisdiction over any highway, public lane or public communication on, over, under or across which the Corporation proposes to put down, place, install and maintain conduits, pipes, wires, poles, rods, cables, transformers, machinery, apparatus, devices, appliances, equipment, materials, structures or works, and submit to such municipalities or authorities its plans therefor,
  
- (ii) such conduits, pipes, wires, poles, rods, cables, transformers, machinery, apparatus, devices, appliances, equipment, materials, structures or works as the Corporation deems necessary or desirable on, over, under or across any public highway, public lane or public communication shall be put down, placed and installed in such location and manner as the municipality or authority on which duty to repair has been imposed and the municipality or authority having jurisdiction over any such highway, lane or public communication may direct any such highway, lane or public communication restored to its former state, and any dispute between the Corporation and such municipalities or authorities as to the location and manner of putting down, placing and installing shall be referred to the Ontario Municipal Board to be determined, and the decision of the Ontario Municipal Board shall be final,
  
- (iii) the Corporation shall indemnify and save harmless the municipality or authority on which duty to repair has been imposed and the municipality or authority having jurisdiction over any such highway, lane or public communication against, from and for any and all damages, claims, losses, costs and expenses sustained or incurred by reason of the negligent use, operation, maintenance, installation, placing and putting down of the conduits, pipes, wires, poles, rods, cables, transformers, machinery, apparatus, devices, appliances, equipment, materials, structures or works by the Corporation, its agents, servants, employees, contractors and subcontractors;

- (b) power to draw, make, accept, endorse, discount, execute and issue bills of exchange, promissory notes, warrants and other negotiable or transferable instruments;
- (c) power to acquire by purchase, lease or otherwise and to hold and enjoy any property or interest therein whatsoever, whether real or personal, and to sell, grant, convey, assign, transfer, lease, mortgage, charge, pledge or otherwise dispose of or encumber any such property or interest or any part thereof from time to time as the occasion may require, and to acquire other property or interest therein, in addition thereto or in place thereof;
- (d) power to enter into any agreement or arrangement with any person for the management in whole or in part of its undertaking;
- (e) power to invest and deal with the moneys of the Corporation not immediately required for its objects in such manner as may be determined by the Board;
- (f) power to pay all costs and expenses of or incidental to the continuance and organization of the Corporation, and to pay or reimburse the City for all costs and expenses incurred by it at any time prior to the date that this section comes into force in connection with the planning, design or construction of a system to integrate the steam plants and steam distribution systems owned or operated by Her Majesty in right of Ontario, the Toronto Electric Commissioners, the Corporation and the University;
- (g) power to purchase steam from and trade steam with other suppliers of steam;
- (h) power to carry on any other business capable of being conveniently carried on in connection with the business of the Corporation or likely to enhance the value of or make profitable any of the property or rights of the Corporation; and
- (i) power to do any of the above things and all things authorized as principal, agent, contractor, trustee or otherwise, and either alone or in conjunction with others. 1968-69, c. 131, s. 11, *amended*.

(2) Notwithstanding section 55 of *The Public Utilities Act*, the Board shall conduct the business of the Corporation so that the requirements of the Hospitals for steam throughout the year for

Supply of  
steam to  
hospitals  
R.S.O. 1970,  
c. 390



their existing facilities and any new expansion of or modification to such facilities will be given priority over any other users of steam supplied by the Corporation.

No breach  
of contract

(3) Nothing done under subsection 2 shall be deemed a breach of contract by the Corporation or entitle any person to rescind any contract or release any guarantor from the performance of his obligation, or render the Corporation, its servants or agents liable in any action-at-law or other legal proceedings for damages or otherwise. *New.*

Rates  
for steam  
for named  
customers

**14.—(1)** The Corporation shall enter into long-term contracts for the supply of steam to the Hospitals, the Participating Institutions, the University and the Province of Ontario at such rates as may be negotiated between the parties to such contracts, which contracts may be for terms in excess of twenty years, and the long-term contracts entered into with the Hospitals and the Participating Institutions shall replace the steam supply agreements made between Toronto Hospitals Steam Corporation and each of the Hospitals and the Participating Institutions.

Rates for  
other  
customers

(2) Subject to subsections 4 and 5, the rates for steam supplied by the Corporation to its customers, other than those named in subsection 1, shall be set by the Corporation in such amounts and for such periods of time as the Corporation considers appropriate and in setting such rates the Corporation may use its discretion as to the rates to be charged to the various classes of its customers.

Rates and  
charges for  
work,  
services,  
etc.

(3) The Corporation may fix the charges for the cost of any work or service done or furnished for the purpose of a supply of steam, and the rent of or charges for fittings, apparatus, meters or other things leased or furnished to its customers.

Collection  
of  
accounts

(4) The Corporation may provide for the collection of the rates, charges and rents referred to in subsections 1 to 3 and the times and places when and where they shall be payable, and for allowing for prepayment or punctual payment such discounts as may be considered expedient.

Appeal  
to Ontario  
Energy Board

(5) Where the rates referred to in subsection 2 are increased by the Corporation, a customer affected thereby may appeal to the Ontario Energy Board, which may fix the amount of such rates, and the decision of the Ontario Energy Board is final and binding.

Idem

(6) A decision of the Ontario Energy Board under subsection 5 remains in effect for the period of time for which the rate was originally fixed by the Corporation, and thereafter until such time as the Corporation changes the rates under subsection 2.

(7) In fixing rates under subsection 2 or 6, the Corporation and the Ontario Energy Board shall take into account the intent that the operations of the Corporation are to be financed from the revenues of the Corporation. *New.* Matters to be considered

**15.—**(1) In this section, “transfer date” when used in respect of the employees of the steam utility division of the Toronto Electric Commissioners means the date on which the Corporation assumes liability for the payment of the salaries, wages and benefits of such employees by reason of the acquisition by purchase or lease of substantially all of the assets and undertaking of the steam utility division of the Toronto Electric Commissioners. Interpretation

(2) Three months prior to the transfer date, the Toronto Electric Commissioners shall designate those of its employees who are involved in the operation of the steam utility division and the Corporation shall offer employment to each such employee so designated commencing on the transfer date and at a wage or salary not less than the wage or salary being received by each such employee immediately before the transfer date. Transfer of employees of Toronto Electric Commissioners, wages, etc.

(3) A person who accepts employment under this section is entitled as a term of his employment to continue as a member of the group life insurance plan in which he was a member with the Toronto Electric Commissioners until the effective date of a common group life insurance plan covering all eligible employees of the Corporation. Group life insurance

(4) A person who accepts employment under this section shall continue to enjoy the rights and benefits of sick leave entitlement provided by the Toronto Electric Commissioners immediately before the transfer date until the Corporation establishes a sick leave entitlement plan or sick leave insurance plan, and thereupon the employee shall receive allowance or credit for any accrued sick leave rights or benefits. Sick leave

(5) A person who accepts employment under this section is entitled as a term of his employment to retain as service credits with the Corporation service credits with the Toronto Electric Commissioners as of the date of transfer for the purpose of establishing vacation entitlement and seniority for promotion. Service credits

(6) A person who accepts employment under this section shall be deemed to continue as a member of the Ontario Municipal Employees Retirement System on his transfer date, and *The Ontario Municipal Employees Retirement System Act* applies to such person as a member of the System. Continuation as member in O.M.E.R.S. R.S.O. 1970, c. 324

(7) When a person who accepts employment under this section with the Corporation is entitled immediately before his transfer Supplementary agreements

date to the benefit of any supplementary agreement between the Ontario Municipal Employees Retirement Board and the Toronto Electric Commissioners, the Corporation shall assume, in respect of the person, all rights and obligations under the supplementary agreement as if the Corporation had been a party to the agreement in the place of the Toronto Electric Commissioners.

Termination  
for  
cause

(8) Subject to any collective agreement, nothing in this section prevents the Toronto Electric Commissioners prior to the transfer date or the Corporation after the transfer date from terminating the employment of an employee for cause.

Existing  
collective  
agreements

(9) Subject to subsections 3 to 7, every person who accepts employment under this section and who is part of a bargaining unit, as recognized by the existence of a collective agreement, or agreements, between the Toronto Electric Commissioners, and a union, shall be deemed to be employed by the Corporation on the transfer date, pursuant to the terms and conditions of employment as set out in such collective agreement, or agreements, and the Corporation shall be bound by, and be deemed a party to, such collective agreement, or agreements, on the transfer date. *New.*

Transfer of  
Toronto  
General  
Hospital  
employees,  
wages, etc.

**16.—**(1) Within fifteen days of a day to be named by the order of the Minister, which day shall be prior to the coming into force of section 30, the Toronto General Hospital shall designate those of its employees who are involved in the operation of the steam plant and distribution system of the Toronto Hospitals Steam Corporation, and the interim committee referred to in subsection 1 of section 29 on behalf of the Corporation shall offer to employ each such employee so designated on the day section 30 comes into force, which day shall be known as the “transfer date”, on terms and conditions, including recognition of service and seniority credits, not less favourable than those being recognized or received by or provided to each such employee immediately before the day section 30 comes into force.

Pensions

(2) Notwithstanding subsection 4 of section 10, a person who accepts employment under this section shall be deemed to continue as a member of the Hospitals of Ontario Pension Plan on his transfer date and, notwithstanding section 8 of *The Ontario Municipal Employees Retirement System Act*, the Corporation shall make such contributions to the Hospitals of Ontario Pension Plan as it may, from time to time, be required to make.

R.S.O. 1970,  
c. 324

Termination  
for  
cause

(3) Subject to any collective agreement, nothing in subsection 1 prevents the Toronto General Hospital prior to the day section 30 comes into force or the Corporation after that day from terminating the employment of an employee for cause.

Existing  
collective  
agreements

(4) Every person who accepts employment under this section and who is part of a bargaining unit, as recognized by the existence

of a collective agreement, or agreements, between the Toronto General Hospital, and a union, shall be deemed to be employed by the Corporation on the transfer date, pursuant to the terms and conditions of employment as set out in such collective agreement, or agreements, and the Corporation shall be bound by, and be deemed a party to, such collective agreement, or agreements, on the transfer date. *New.*

**17.**—(1) Subject to the approval of the City, the Corporation <sup>Borrowing</sup> may from time to time borrow or raise by way of loan such sums of money as the Corporation may consider requisite for any of the purposes of the Corporation in either or both of the following ways,

- (a) by loans from the City; or
- (b) by loans from any chartered bank or banks or from any other person either by way of bank overdraft or loan as the Board may determine, provided that any such overdraft or loan shall be required for current expenditures of the Corporation pending the collection of revenue and shall be payable within one year of the incurring or making thereof, and may mortgage, charge, pledge and otherwise encumber all or any part of the property of the Corporation, whether real or personal, present or future, including its book debts, rights, powers, franchises and undertakings, to secure any such loan.

(2) The purposes of the Corporation, without limiting the gen- <sup>Purposes</sup>erality thereof, include,

- (a) the carrying out of the powers of the Corporation mentioned in section 13;
- (b) the payment, refunding or renewal from time to time of the whole or any part of any sum or sums of money raised by way of loan or of any debentures issued by the Corporation; and
- (c) the payment of the whole or any part of any obligation, liability or indebtedness of the Corporation.

(3) The Corporation may enter into supplemental indentures <sup>Amendment of trust deed</sup> amending the trust deed referred to in subsection 2 of section 2 on such terms and conditions as may be approved by the Board to reflect the continuation and reconstitution of the Corporation effected by this Act and may mortgage, charge, pledge and otherwise encumber all or any part of the property of the Corporation, whether real or personal, present or future, including its book debts, rights, powers, franchises and undertakings, to secure the



debentures issued pursuant to the trust deed and outstanding on the date of execution of any such supplemental indenture.

Priority of  
payment of  
debentures

(4) Notwithstanding anything herein contained, the assets of the Corporation shall be used to pay, as they accrue due, the principal of, premium (if any) and interest (including interest on interest) on the debentures issued under the trust deed in priority to any other debts or obligations of the Corporation existing at the date any such payment on the debentures accrues due.

Proviso

(5) Subsection 4 does not affect the security for any debt or obligation of the Corporation or any lien against the Corporation or its assets, where the security or lien is provided for under any other Act. *New.*

Auditor

**18.** The accounts and financial transactions of the Corporation shall be audited annually by the auditor of the City. *New.*

Financial  
report

**19.** The Board shall make a financial report annually to the City in such form and containing such information as the City requires for each fiscal year of the Corporation within three months after the end of that fiscal year, or for such other periods and within such other time or times as the City requires and a copy of each annual financial report shall be sent to each of the Hospitals, the Participating Institutions, the University and the Minister. *New.*

## PART II

### POWERS OF THE CITY

Provision  
of  
funds

**20.** The City is authorized and empowered to provide funds to the Corporation to enable it to carry out its objects and the funds advanced to the Corporation by the City shall be on such terms as the City may from time to time determine. *New.*

Refuse-fired  
steam plant

**21.** The City may,

- (a) design and construct a steam plant fired in part by refuse on the lands acquired by the City from Gulf Canada Limited on Lake Shore Boulevard East in the City of Toronto between Cherry Street and the Don River;
- (b) participate with any person, including The Municipality of Metropolitan Toronto, the Corporation and any ministry or agency of the Province of Ontario or, with the approval of the Minister, the Government of Canada, in the financing, ownership or operation of the steam plant referred to in clause *a*; and

- (c) sell, lease or otherwise dispose of the lands referred to in clause a. *New.*

**22.** Notwithstanding subsection 1 of section 293 of *The Municipal Act*, a by-law providing money for the purposes of section 20 or 21 does not require the assent of the electors. *New.*

Assent of electors not required  
R.S.O. 1970, c. 284

### PART III

#### GENERAL

**23.** Subject to section 24, upon the acquisition by purchase or lease of all of the assets and undertaking of the steam utility division of the Toronto Electric Commissioners, the Corporation shall assume and discharge the liabilities, debts, contractual obligations and commitments of the steam utility division of the Toronto Electric Commissioners and the Toronto Electric Commissioners shall be released therefrom. *New.*

Assumption of obligation

**24.**—(1) Notwithstanding the provisions of any agreements for steam services the Toronto Electric Commissioners may have with its steam customers at the date of its transfer of its steam distribution system under section 12, all agreements which the Toronto Electric Commissioners may have with steam customers at the date of such transfer will, on the date of such transfer, cease to have any legal effect and will be unenforceable.

Frustration of Toronto Hydro agreement for steam services

(2) As against the Toronto Electric Commissioners, all judgments or orders of any court dealing with the interpretation of any agreement referred to in subsection 1 shall, from the date of the transfer referred to in that subsection, be assumed by and be enforceable against the Corporation and the Corporation shall indemnify the Toronto Electric Commissioners in respect of any such judgment or order enforced against the Toronto Electric Commissioners after the date of the transfer.

Existing judgments, etc.

(3) Subsection 1 does not affect or prejudice any right of any person arising out of any agreement referred to in subsection 1 if the cause of action arose prior to the day of the transfer of the steam distribution system referred to in that subsection and any action, litigation or other proceeding may be brought against the Toronto Electric Commissioners with respect to any such right or may be continued and finally adjudicated upon to the same extent as if this Act had not been passed and the Corporation shall assume the liability of the Toronto Electric Commissioners arising out of any such right and shall indemnify the Toronto Electric Commissioners with respect to any judgment or order arising therefrom.

Rights not affected

Notice

(4) Notice of any action, litigation or other proceeding to which subsection 3 applies shall be served on the Corporation by the Toronto Electric Commissioners and the Corporation may be a party to any such action, litigation or other proceeding. *New.*

Steam  
plant  
site

**25.** Nothing in this Act restricts the right of The Hospital for Sick Children to require a reconveyance to it of the steam plant site described in the trust deed referred to in subsection 2 of section 2 upon payment of an amount equal to the purchase price of approximately \$475,000 if the said site is no longer used by the Corporation for the purposes of a steam plant supplying steam to the Hospitals and the Participating Institutions and, if such right is exercised, to require the Corporation, at its expense, to level the said site to grade. *New.*

Application of  
R.S.O. 1970,  
c. 208

**26.** The steam plant of the Corporation located on the steam plant site described in the trust deed referred to in subsection 2 of section 2 and all related equipment and facilities and any other site used to generate the supply of steam are deemed to be a hospital and persons employed thereat are deemed to be hospital employees for the purposes of *The Hospital Labour Disputes Arbitration Act* as long as steam generated therefrom is being supplied to the Hospitals and Participating Institutions or any of them. *New.*

Grants by  
municipalities  
to  
Corporation  
authorized  
R.S.O. 1970,  
c. 284

**27.** The operations of the Corporation shall be deemed not to be a manufacturing business or other industrial or commercial enterprise for the purposes of section 248 of *The Municipal Act*. *New.*

Authority  
of  
Lieutenant  
Governor  
in Council

**28.** The Lieutenant Governor in Council, upon the recommendation of the Minister, may by order authorize all such acts or things not specifically provided for in this Act that are considered necessary or advisable to carry out effectively the purposes of this Act. *New.*

Transitional  
provisions

**29.—**(1) Within sixty days of the coming into force of this section, the City shall appoint an interim committee composed of four persons which shall have the power on behalf of the Corporation to negotiate and settle the terms and conditions of the contracts referred to in subsection 1 of section 14, a supplemental indenture amending the trust deed as referred to in subsection 3 of section 17, and the agreements for steam services to replace the agreements referred to in section 24.

Idem

(2) The interim committee shall report to the Minister forthwith after it has settled with the other parties thereto the terms and conditions of the contracts, agreements and supplemental indenture referred to in subsection 1.

(3) The offers of employment referred to in subsection 2 of section 15 shall be made by the interim committee on behalf of the Corporation where the transfer date of the employees affected by that section is a day less than three months after the coming into force of section 30. *New.* <sup>Offers of employment</sup>

**30.** *The Toronto Hospitals Steam Corporation Act, 1968-69,* Repeal being chapter 131, is repealed. <sup>Repeal</sup>

**31.**—(1) This Act, except sections 2 to 15, 17 to 28 and 30, comes into force on the day it receives Royal Assent. <sup>Commence-  
ment</sup>

(2) Sections 2 to 15, 17 to 28 and 30 come into force on a day to be named by proclamation of the Lieutenant Governor. <sup>Idem</sup>

**32.** The short title of this Act is *The Toronto District Heating Corporation Act, 1980.* <sup>Short title</sup>





An Act to revise  
The Toronto Hospitals Steam  
Corporation Act, 1968-69

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*1st Reading*

November 14th, 1980

*2nd Reading*

*3rd Reading*

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THE HON. T. L. WELLS  
Minister of Intergovernmental Affairs

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*(Government Bill)*



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4TH SESSION, 31ST LEGISLATURE, ONTARIO  
29 ELIZABETH II, 1980

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An Act to revise  
The Toronto Hospitals Steam Corporation Act, 1968-69

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THE HON. T. L. WELLS  
Minister of Intergovernmental Affairs

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BILL 192

1980

**An Act to revise  
The Toronto Hospitals Steam  
Corporation Act, 1968-69**

**H**ER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

**1.** In this Act,

Interpre-  
tation

- (a) "Board" means the board of directors of the Corporation;
- (b) "City" means The Corporation of the City of Toronto;
- (c) "Corporation" means the body corporate continued by subsection 1 of section 2;
- (d) "Hospitals" means The Trustees of the Toronto General Hospital, The Hospital for Sick Children, Mount Sinai Hospital and Women's College Hospital;
- (e) "Minister" means the Minister of Intergovernmental Affairs or such other member of the Executive Council as the Lieutenant Governor in Council designates;
- (f) "Participating Institutions" means The Nightingale School of Nursing, The Queen Elizabeth Hospital and the Toronto Institute of Medical Technology;
- (g) "steam" means steam or hot water;
- (h) "University" means The Governing Council of the University of Toronto. 1968-69, c. 131, s. 1, *amended*.

**PART I**

**TORONTO DISTRICT HEATING CORPORATION**

**2.—(1)** The Toronto Hospitals Steam Corporation is hereby continued as a body corporate without share capital under the name "Toronto District Heating Corporation".

Toronto  
Hospitals  
Steam  
Corporation  
continued

Change not  
to affect  
rights, etc.

(2) The change in the name of the Corporation does not affect its rights or obligations, and without restricting the generality of the foregoing, nothing in this Act affects the rights of creditors of the Toronto Hospitals Steam Corporation against the property, rights and assets of the Corporation and all liens upon the property, rights and assets of the Toronto Hospitals Steam Corporation are unimpaired by this continuation and reconstitution and all debts, contracts, liabilities and duties of the Toronto Hospitals Steam Corporation are debts, contracts, liabilities and duties of the Corporation and may be enforced against it including, without limitation, the debts and obligations created by or pursuant to a certain trust deed dated as of the 15th day of December, 1972 between the Toronto Hospitals Steam Corporation and the Canada Permanent Trust Corporation.

Head  
office

(3) The head office of the Corporation shall be in the City of Toronto.

Seal

(4) The Corporation shall have a seal which shall be adopted by resolution or by-law. *New.*

Composition  
of Board

**3.** There shall be a board of directors of the Corporation consisting of ten directors of whom,

(a) four shall be appointed by the City, at least one of whom shall be a representative of a user of steam purchased from the Corporation, other than the Hospitals, the City, the University or the Province of Ontario;

(b) two shall be appointed by the Hospitals;

(c) two shall be appointed by the Minister; and

(d) two shall be appointed by the University. 1968-69, c. 131, s. 2, *part, amended.*

Term of  
office

**4.—**(1) Every director shall be a resident Canadian and shall, subject to subsection 2, hold office during the pleasure of his appointor, and upon the death, resignation or removal from office of any director, the appointor of such director under section 3 may appoint some other person in his place.

City  
appointees

(2) Every director appointed by the City shall be appointed for a term of office not exceeding the term of office of the members of the council that made the appointment and shall hold office until his successor is appointed and every such director is eligible for reappointment.

Quorum

(3) Five directors constitute a quorum at meetings of the Board.

(4) The directors shall elect a chairman from among the persons appointed to the Board by the City. Chairman

(5) The chairman shall preside at all meetings of the Board. Duties of chairman

(6) The Board may appoint one of its members to be vice-chairman, and, in the case of the absence of the chairman or of there being a vacancy in the office of the chairman, the vice-chairman shall act as and have all the powers of the chairman. Vice-chairman

(7) In the absence of the chairman and vice-chairman, the Board may appoint one of its members to act as chairman for the time being and the person so appointed shall act as and have all the powers of the chairman. Acting chairman

(8) The Corporation may pay the directors, or any of them, such remuneration and expenses as are from time to time recommended by the Board and approved by the City. Remuneration and expenses

(9) Where there is a vacancy or vacancies in the Board, the remaining directors may exercise all the powers of the Board so long as a quorum of the Board remains in office. 1968-69, c. 131, s. 3, *amended*. Vacancies

**5.** The acts of a director or of an officer are valid notwithstanding any defect that may afterwards be discovered in his appointment or qualification. 1968-69, c. 131, s. 4. Validity of acts of directors and officers

**6.** Every director and his heirs, executors and administrators, and estate and effects, respectively, may, with the consent of the Board, from time to time and at all times, be indemnified and saved harmless out of the funds of the Corporation, from and against, Indemnification of directors

(a) any liability and all costs, charges and expenses that he sustains or incurs in respect of any action or proceeding that is proposed or commenced against him for or in respect of anything done or permitted by him in respect of the execution of the duties of his office; and

(b) all other costs, charges and expenses that he sustains or incurs in respect of the affairs of the Corporation, except such costs, charges or expenses as are occasioned by his own wilful neglect or default. 1968-69, c. 131, s. 5.

**7.—(1)** The Board may authorize the election from among the directors of an executive committee consisting of not fewer than three members, at least one of whom is not a person appointed to the Board by the City. Executive committee

Delegation  
of powers

(2) The Board may delegate to the executive committee any powers of the Board, subject to the restrictions, if any, imposed by the Board.

## Quorum

(3) An executive committee may fix its quorum at not fewer than a majority of its members and may make rules governing its proceedings. 1968-69, c. 131, s. 6, *amended*.

Powers and  
duties of  
Board

**8.—**(1) The Board has the management and control of the affairs of the Corporation and has power to make by-laws governing its proceedings and the calling of meetings of the Board, providing for the appointment of officers of the Corporation, specifying the powers, duties and remuneration of officers, employees and agents of the Corporation, and generally dealing with the management of the affairs of the Corporation.

## Contracts

(2) The Board shall at its first meeting, which shall be held within thirty days of the coming into force of this section, adopt in the name of and on behalf of the Corporation the contracts, agreements and supplemental indenture referred to in subsection 1 of section 29 as negotiated by the interim committee. 1968-69, c. 131, s. 7, *amended*.

Disclosure  
by directors  
of interests  
in contracts

**9.—**(1) Every director of the Corporation who is directly or indirectly interested in a contract or a proposed contract with the Corporation shall declare his interest at a meeting of the Board and, in respect of such contract or proposed contract, shall not vote or be counted in the quorum.

Time of  
declaration

(2) In the case of a proposed contract, the declaration required by this section shall be made at the meeting of the Board at which the question of entering into the contract is first taken into consideration or, if the director is not at the date of that meeting interested in the proposed contract, at the next meeting of the Board held after he becomes so interested, and, in a case where the director becomes interested in a contract after it is made, the declaration shall be made at the first meeting of the Board held after he becomes so interested.

General  
notice

(3) For the purposes of this section, a general notice given to the Board by a director to the effect that he is interested in any other company, institution or governmental body or is a member of a specified firm and is to be regarded as interested in any contract made with such other company, institution, governmental body or firm shall be deemed to be a sufficient declaration of interest in relation to a contract so made, but no such notice is effective unless it is given at a meeting of the Board or the director takes reasonable steps to ensure that it is brought up and read at the next meeting of the Board after it is given.



(4) If a director has made a declaration of his interest in a proposed contract or contract in compliance with this section and has not voted in respect of the contract, he is not accountable to the Corporation or to any of its creditors for any profit realized from the contract, and the contract is not voidable by reason only of his holding that office or of the fiduciary relationship established thereby. Effect of declaration

(5) A director shall be deemed not to have an interest in a contract or proposed contract by reason only of his being an appointee of a party referred to in section 3. *New.* Saving

**10.**—(1) *The Corporations Act, The Municipal Franchises Act and The Mortmain and Charitable Uses Act* do not apply to the Corporation. Application of R.S.O. 1970, cc. 89, 289, 280

(2) Section 58 of *The Public Utilities Act* does not apply to the Corporation. 1968-69, c. 131, s. 9 (1, 2). Application of R.S.O. 1970, c. 390, s. 58

(3) Except for purposes of the Ontario Municipal Employees Retirement System, The Corporation shall be deemed not to be a local board of the City. Corporation not a local board

(4) The Corporation shall be deemed to have elected to participate in the Ontario Municipal Employees Retirement System. *New.* Participation in O.M.E.R.S.

**11.** A copy of any by-law, resolution or minute certified by the secretary or assistant secretary under the seal of the Corporation to be a true copy may be received in evidence in any court as *prima facie* proof of its making and content. 1968-69, c. 131, s. 8. Authentication of by-laws, etc.

**12.** The objects of the Corporation are to construct, purchase or otherwise acquire, own, lease, maintain, operate, extend, replace and manage steam plants, including refuse-fired steam plants, steam distribution systems, steam condensate return systems and steam supply systems within the City of Toronto for the purpose of supplying steam to users thereof including, without limiting the generality of the foregoing, the acquisition by purchase or lease of all of the assets and undertaking of the steam utility division of the Toronto Electric Commissioners. 1968-69, c. 131, s. 10 (1), *amended.* Objects

**13.**—(1) The powers of the Corporation include, without limiting the generality of section 12, Powers

(a) subject to subsection 2 of section 10, the powers conferred on a company incorporated for the purpose of owning, operating or supplying a public utility under *The Public Utilities Act*, but, R.S.O. 1970, c. 390



- (i) the Corporation shall notify in writing the municipality or authority on which duty to repair has been imposed and the municipality or authority having jurisdiction over any highway, public lane or public communication on, over, under or across which the Corporation proposes to put down, place, install and maintain conduits, pipes, wires, poles, rods, cables, transformers, machinery, apparatus, devices, appliances, equipment, materials, structures or works, and submit to such municipalities or authorities its plans therefor,
- (ii) such conduits, pipes, wires, poles, rods, cables, transformers, machinery, apparatus, devices, appliances, equipment, materials, structures or works as the Corporation deems necessary or desirable on, over, under or across any public highway, public lane or public communication shall be put down, placed and installed in such location and manner as the municipality or authority on which duty to repair has been imposed and the municipality or authority having jurisdiction over any such highway, lane or public communication may direct any such highway, lane or public communication restored to its former state, and any dispute between the Corporation and such municipalities or authorities as to the location and manner of putting down, placing and installing shall be referred to the Ontario Municipal Board to be determined, and the decision of the Ontario Municipal Board shall be final,
- (iii) the Corporation shall indemnify and save harmless the municipality or authority on which duty to repair has been imposed and the municipality or authority having jurisdiction over any such highway, lane or public communication against, from and for any and all damages, claims, losses, costs and expenses sustained or incurred by reason of the negligent use, operation, maintenance, installation, placing and putting down of the conduits, pipes, wires, poles, rods, cables, transformers, machinery, apparatus, devices, appliances, equipment, materials, structures or works by the Corporation, its agents, servants, employees, contractors and subcontractors;

- (b) power to draw, make, accept, endorse, discount, execute and issue bills of exchange, promissory notes, warrants and other negotiable or transferable instruments;
- (c) power to acquire by purchase, lease or otherwise and to hold and enjoy any property or interest therein whatsoever, whether real or personal, and to sell, grant, convey, assign, transfer, lease, mortgage, charge, pledge or otherwise dispose of or encumber any such property or interest or any part thereof from time to time as the occasion may require, and to acquire other property or interest therein, in addition thereto or in place thereof;
- (d) power to enter into any agreement or arrangement with any person for the management in whole or in part of its undertaking;
- (e) power to invest and deal with the moneys of the Corporation not immediately required for its objects in such manner as may be determined by the Board;
- (f) power to pay all costs and expenses of or incidental to the continuance and organization of the Corporation, and to pay or reimburse the City for all costs and expenses incurred by it at any time prior to the date that this section comes into force in connection with the planning, design or construction of a system to integrate the steam plants and steam distribution systems owned or operated by Her Majesty in right of Ontario, the Toronto Electric Commissioners, the Corporation and the University;
- (g) power to purchase steam from and trade steam with other suppliers of steam;
- (h) power to carry on any other business capable of being conveniently carried on in connection with the business of the Corporation or likely to enhance the value of or make profitable any of the property or rights of the Corporation;
- (i) power to do any of the above things and all things authorized as principal, agent, contractor, trustee or otherwise, and either alone or in conjunction with others. 1968-69, c. 131, s. 11, *amended*.

(2) Notwithstanding section 55 of *The Public Utilities Act*, the Board shall conduct the business of the Corporation so that the requirements of the Hospitals for steam throughout the year for

Supply of  
steam to  
hospitals  
R.S.O. 1970,  
c. 390

their existing facilities and any new expansion of or modification to such facilities will be given priority over any other users of steam supplied by the Corporation.

No breach  
of contract

(3) Nothing done under subsection 2 shall be deemed a breach of contract by the Corporation or entitle any person to rescind any contract or release any guarantor from the performance of his obligation, or render the Corporation, its servants or agents liable in any action-at-law or other legal proceedings for damages or otherwise. *New.*

Rates  
for steam  
for named  
customers

**14.—(1)** The Corporation shall enter into long-term contracts for the supply of steam to the Hospitals, the Participating Institutions, the University and the Province of Ontario at such rates as may be negotiated between the parties to such contracts, which contracts may be for terms in excess of twenty years, and the long-term contracts entered into with the Hospitals and the Participating Institutions shall replace the steam supply agreements made between Toronto Hospitals Steam Corporation and each of the Hospitals and the Participating Institutions.

Rates for  
other  
customers

(2) Subject to subsections 4 and 5, the rates for steam supplied by the Corporation to its customers, other than those named in subsection 1, shall be set by the Corporation in such amounts and for such periods of time as the Corporation considers appropriate and in setting such rates the Corporation may use its discretion as to the rates to be charged to the various classes of its customers.

Rates and  
charges for  
work,  
services,  
etc.

(3) The Corporation may fix the charges for the cost of any work or service done or furnished for the purpose of a supply of steam, and the rent of or charges for fittings, apparatus, meters or other things leased or furnished to its customers.

Collection  
of  
accounts

(4) The Corporation may provide for the collection of the rates, charges and rents referred to in subsections 1 to 3 and the times and places when and where they shall be payable, and for allowing for prepayment or punctual payment such discounts as may be considered expedient.

Appeal  
to Ontario  
Energy Board

(5) Where the rates referred to in subsection 2 are increased by the Corporation, a customer affected thereby may appeal to the Ontario Energy Board, which may fix the amount of such rates, and the decision of the Ontario Energy Board is final and binding.

Idem

(6) A decision of the Ontario Energy Board under subsection 5 remains in effect for the period of time for which the rate was originally fixed by the Corporation, and thereafter until such time as the Corporation changes the rates under subsection 2.

(7) In fixing rates under subsection 2 or 6, the Corporation and the Ontario Energy Board shall take into account the intent that the operations of the Corporation are to be financed from the revenues of the Corporation. *New.* Matters to be considered

**15.**—(1) In this section, “transfer date” when used in respect of the employees of the steam utility division of the Toronto Electric Commissioners means the date on which the Corporation assumes liability for the payment of the salaries, wages and benefits of such employees by reason of the acquisition by purchase or lease of substantially all of the assets and undertaking of the steam utility division of the Toronto Electric Commissioners. Interpretation

(2) Three months prior to the transfer date, the Toronto Electric Commissioners shall designate those of its employees who are involved in the operation of the steam utility division and the Corporation shall offer employment to each such employee so designated commencing on the transfer date and at a wage or salary not less than the wage or salary being received by each such employee immediately before the transfer date. Transfer of employees of Toronto Electric Commissioners, wages, etc.

(3) A person who accepts employment under this section is entitled as a term of his employment to continue as a member of the group life insurance plan in which he was a member with the Toronto Electric Commissioners until the effective date of a common group life insurance plan covering all eligible employees of the Corporation. Group life insurance

(4) A person who accepts employment under this section shall continue to enjoy the rights and benefits of sick leave entitlement provided by the Toronto Electric Commissioners immediately before the transfer date until the Corporation establishes a sick leave entitlement plan or sick leave insurance plan, and thereupon the employee shall receive allowance or credit for any accrued sick leave rights or benefits. Sick leave

(5) A person who accepts employment under this section is entitled as a term of his employment to retain as service credits with the Corporation service credits with the Toronto Electric Commissioners as of the date of transfer for the purpose of establishing vacation entitlement and seniority for promotion. Service credits

(6) A person who accepts employment under this section shall be deemed to continue as a member of the Ontario Municipal Employees Retirement System on his transfer date, and *The Ontario Municipal Employees Retirement System Act* applies to such person as a member of the System. Continuation as member in O.M.E.R.S. R.S.O. 1970, c. 324

(7) When a person who accepts employment under this section with the Corporation is entitled immediately before his transfer Supplementary agreements



date to the benefit of any supplementary agreement between the Ontario Municipal Employees Retirement Board and the Toronto Electric Commissioners, the Corporation shall assume, in respect of the person, all rights and obligations under the supplementary agreement as if the Corporation had been a party to the agreement in the place of the Toronto Electric Commissioners.

Termination  
for  
cause

(8) Subject to any collective agreement, nothing in this section prevents the Toronto Electric Commissioners prior to the transfer date or the Corporation after the transfer date from terminating the employment of an employee for cause.

Existing  
collective  
agreements

(9) Subject to subsections 3 to 7, every person who accepts employment under this section and who is part of a bargaining unit, as recognized by the existence of a collective agreement, or agreements, between the Toronto Electric Commissioners, and a union, shall be deemed to be employed by the Corporation on the transfer date, pursuant to the terms and conditions of employment as set out in such collective agreement, or agreements, and the Corporation shall be bound by, and be deemed a party to, such collective agreement, or agreements, on the transfer date. *New.*

Transfer of  
Toronto  
General  
Hospital  
employees,  
wages, etc.

**16.—**(1) Within fifteen days of a day to be named by the order of the Minister, which day shall be prior to the coming into force of section 30, the Toronto General Hospital shall designate those of its employees who are involved in the operation of the steam plant and distribution system of the Toronto Hospitals Steam Corporation, and the interim committee referred to in subsection 1 of section 29 on behalf of the Corporation shall offer to employ each such employee so designated on the day section 30 comes into force, which day shall be known as the “transfer date”, on terms and conditions, including recognition of service and seniority credits, not less favourable than those being recognized or received by or provided to each such employee immediately before the day section 30 comes into force.

Pensions

(2) Notwithstanding subsection 4 of section 10, a person who accepts employment under this section shall be deemed to continue as a member of the Hospitals of Ontario Pension Plan on his transfer date and, notwithstanding section 8 of *The Ontario Municipal Employees Retirement System Act*, the Corporation shall make such contributions to the Hospitals of Ontario Pension Plan as it may, from time to time, be required to make.

R.S.O. 1970,  
c. 324

Termination  
for  
cause

(3) Subject to any collective agreement, nothing in subsection 1 prevents the Toronto General Hospital prior to the day section 30 comes into force or the Corporation after that day from terminating the employment of an employee for cause.

Existing  
collective  
agreements

(4) Every person who accepts employment under this section and who is part of a bargaining unit, as recognized by the existence

of a collective agreement, or agreements, between the Toronto General Hospital, and a union, shall be deemed to be employed by the Corporation on the transfer date, pursuant to the terms and conditions of employment as set out in such collective agreement, or agreements, and the Corporation shall be bound by, and be deemed a party to, such collective agreement, or agreements, on the transfer date. *New.*

**17.**—(1) Subject to the approval of the City, the Corporation may from time to time borrow or raise by way of loan such sums of money as the Corporation may consider requisite for any of the purposes of the Corporation in either or both of the following ways, Borrowing

- (a) by loans from the City; or
- (b) by loans from any chartered bank or banks or from any other person either by way of bank overdraft or loan as the Board may determine, provided that any such overdraft or loan shall be required for current expenditures of the Corporation pending the collection of revenue and shall be payable within one year of the incurring or making thereof, and may mortgage, charge, pledge and otherwise encumber all or any part of the property of the Corporation, whether real or personal, present or future, including its book debts, rights, powers, franchises and undertakings, to secure any such loan.

(2) The purposes of the Corporation, without limiting the generality thereof, include, Purposes

- (a) the carrying out of the powers of the Corporation mentioned in section 13;
- (b) the payment, refunding or renewal from time to time of the whole or any part of any sum or sums of money raised by way of loan or of any debentures issued by the Corporation; and
- (c) the payment of the whole or any part of any obligation, liability or indebtedness of the Corporation.

(3) The Corporation may enter into supplemental indentures amending the trust deed referred to in subsection 2 of section 2 on such terms and conditions as may be approved by the Board to reflect the continuation and reconstitution of the Corporation effected by this Act and may mortgage, charge, pledge and otherwise encumber all or any part of the property of the Corporation, whether real or personal, present or future, including its book debts, rights, powers, franchises and undertakings, to secure the Amendment  
of trust  
deed

debentures issued pursuant to the trust deed and outstanding on the date of execution of any such supplemental indenture.

Priority of  
payment of  
debentures

(4) Notwithstanding anything herein contained, the assets of the Corporation shall be used to pay, as they accrue due, the principal of, premium (if any) and interest (including interest on interest) on the debentures issued under the trust deed in priority to any other debts or obligations of the Corporation existing at the date any such payment on the debentures accrues due.

Proviso

(5) Subsection 4 does not affect the security for any debt or obligation of the Corporation or any lien against the Corporation or its assets, where the security or lien is provided for under any other Act. *New.*

Auditor

**18.** The accounts and financial transactions of the Corporation shall be audited annually by the auditor of the City. *New.*

Financial  
report

**19.** The Board shall make a financial report annually to the City in such form and containing such information as the City requires for each fiscal year of the Corporation within three months after the end of that fiscal year, or for such other periods and within such other time or times as the City requires and a copy of each annual financial report shall be sent to each of the Hospitals, the Participating Institutions, the University and the Minister. *New.*

## PART II

### POWERS OF THE CITY

Provision  
of  
funds

**20.** The City is authorized and empowered to provide funds to the Corporation to enable it to carry out its objects and the funds advanced to the Corporation by the City shall be on such terms as the City may from time to time determine. *New.*

Refuse-fired  
steam plant

**21.** The City may,

- (a) design and construct a steam plant fired in part by refuse on the lands acquired by the City from Gulf Canada Limited on Lake Shore Boulevard East in the City of Toronto between Cherry Street and the Don River;
- (b) participate with any person, including The Municipality of Metropolitan Toronto, the Corporation and any ministry or agency of the Province of Ontario or, with the approval of the Minister, the Government of Canada, in the financing, ownership or operation of the steam plant referred to in clause *a*; and



- (c) sell, lease or otherwise dispose of the lands referred to in clause *a*. *New.*

**22.** Notwithstanding subsection 1 of section 293 of *The Municipal Act*, a by-law providing money for the purposes of section 20 or 21 does not require the assent of the electors. *New.*

Assent of electors not required  
R.S.O. 1970, c. 284

### PART III

#### GENERAL

**23.** Subject to section 24, upon the acquisition by purchase or lease of all of the assets and undertaking of the steam utility division of the Toronto Electric Commissioners, the Corporation shall assume and discharge the liabilities, debts, contractual obligations and commitments of the steam utility division of the Toronto Electric Commissioners and the Toronto Electric Commissioners shall be released therefrom. *New.*

Assumption of obligation

**24.—(1)** Notwithstanding the provisions of any agreements for steam services the Toronto Electric Commissioners may have with its steam customers at the date of its transfer of its steam distribution system under section 12, all agreements which the Toronto Electric Commissioners may have with steam customers at the date of such transfer will, on the date of such transfer, cease to have any legal effect and will be unenforceable.

Frustration of Toronto Hydro agreement for steam services

(2) As against the Toronto Electric Commissioners, all judgments or orders of any court dealing with the interpretation of any agreement referred to in subsection 1 shall, from the date of the transfer referred to in that subsection, be assumed by and be enforceable against the Corporation and the Corporation shall indemnify the Toronto Electric Commissioners in respect of any such judgment or order enforced against the Toronto Electric Commissioners after the date of the transfer.

Existing judgments, etc.

(3) Subsection 1 does not affect or prejudice any right of any person arising out of any agreement referred to in subsection 1 if the cause of action arose prior to the day of the transfer of the steam distribution system referred to in that subsection and any action, litigation or other proceeding may be brought against the Toronto Electric Commissioners with respect to any such right or may be continued and finally adjudicated upon to the same extent as if this Act had not been passed and the Corporation shall assume the liability of the Toronto Electric Commissioners arising out of any such right and shall indemnify the Toronto Electric Commissioners with respect to any judgment or order arising therefrom.

Rights not affected

Notice

(4) Notice of any action, litigation or other proceeding to which subsection 3 applies shall be served on the Corporation by the Toronto Electric Commissioners and the Corporation may be a party to any such action, litigation or other proceeding. *New.*

Steam  
plant  
site

**25.** Nothing in this Act restricts the right of The Hospital for Sick Children to require a reconveyance to it of the steam plant site described in the trust deed referred to in subsection 2 of section 2 upon payment of an amount equal to the purchase price of approximately \$475,000 if the said site is no longer used by the Corporation for the purposes of a steam plant supplying steam to the Hospitals and the Participating Institutions and, if such right is exercised, to require the Corporation, at its expense, to level the said site to grade. *New.*

Application of  
R.S.O. 1970,  
c. 208

**26.** The steam plant of the Corporation located on the steam plant site described in the trust deed referred to in subsection 2 of section 2 and all related equipment and facilities and any other site used to generate the supply of steam are deemed to be a hospital and persons employed thereat are deemed to be hospital employees for the purposes of *The Hospital Labour Disputes Arbitration Act* as long as steam generated therefrom is being supplied to the Hospitals and Participating Institutions or any of them. *New.*

Grants by  
municipalities  
to  
Corporation  
authorized  
R.S.O. 1970,  
c. 284

**27.** The operations of the Corporation shall be deemed not to be a manufacturing business or other industrial or commercial enterprise for the purposes of section 248 of *The Municipal Act*. *New.*

Authority  
of  
Lieutenant  
Governor  
in Council

**28.** The Lieutenant Governor in Council, upon the recommendation of the Minister, may by order authorize all such acts or things not specifically provided for in this Act that are considered necessary or advisable to carry out effectively the purposes of this Act. *New.*

Transitional  
provisions

**29.—(1)** Within sixty days of the coming into force of this section, the City shall appoint an interim committee composed of four persons which shall have the power on behalf of the Corporation to negotiate and settle the terms and conditions of the contracts referred to in subsection 1 of section 14, a supplemental indenture amending the trust deed as referred to in subsection 3 of section 17, and the agreements for steam services to replace the agreements referred to in section 24.

Idem

(2) The interim committee shall report to the Minister forthwith after it has settled with the other parties thereto the terms and conditions of the contracts, agreements and supplemental indenture referred to in subsection 1.

(3) The offers of employment referred to in subsection 2 of section 15 shall be made by the interim committee on behalf of the Corporation where the transfer date of the employees affected by that section is a day less than three months after the coming into force of section 30. *New.* Offers of employment

**30.** *The Toronto Hospitals Steam Corporation Act, 1968-69,* Repeal being chapter 131, is repealed.

**31.**—(1) This Act, except sections 2 to 15, 17 to 28 and 30, comes into force on the day it receives Royal Assent. Commence-  
ment

(2) Sections 2 to 15, 17 to 28 and 30 come into force on a day to be named by proclamation of the Lieutenant Governor. Idem

**32.** The short title of this Act is *The Toronto District Heating Corporation Act, 1980.* Short title





An Act to revise  
The Toronto Hospitals Steam  
Corporation Act, 1968-69

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*1st Reading*

November 14th, 1980

*2nd Reading*

December 11th, 1980

*3rd Reading*

December 12th, 1980

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THE HON. T. L. WELLS  
Minister of Intergovernmental Affairs

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4TH SESSION, 31ST LEGISLATURE, ONTARIO  
29 ELIZABETH II, 1980

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An Act to amend The Municipal Act

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THE HON. T. L. WELLS  
Minister of Intergovernmental Affairs

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## EXPLANATORY NOTES

SECTION 1. The purpose of the re-enacted subsection 3 of section 45 is to make it mandatory for a municipal council to fill a vacancy that occurs after March 31st in an election year and more than forty-five days prior to nomination day for the elections to be held in that year.

SECTION 2. This section enables all local municipalities to pay gratuities to injured members of fire brigades and give pecuniary aid to their widows. At present, under paragraph 6 of section 363, only urban municipalities have this power. Section 363 will be repealed under section 12 of this Bill.

SECTION 3. The purpose of the amendments to section 248a is to expand the existing powers of a municipality to make grants. The proposed amendments to section 248a make certain other provisions of the Act redundant and complementary amendments are made to the Act by this Bill to repeal the redundant provisions.

BILL 193

1980

## An Act to amend The Municipal Act

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. Subsection 3 of section 45 of *The Municipal Act*, being chapter 284 of the Revised Statutes of Ontario, 1970, as re-enacted by the Statutes of Ontario, 1972, chapter 121, section 11, is repealed and the following substituted therefor:
 

s. 45 (3),  
re-enacted

(3) Where a vacancy occurs in the office of a member of the council of a local municipality after the 31st day of March of an election year as defined in *The Municipal Elections Act, 1977*, the vacancy shall not be filled by a new election as provided in subsection 1 or 2 but the council shall fill such vacancy in accordance with the provisions of section 44 within forty-five days after the day that the vacancy occurs, but where the vacancy occurs less than forty-six days prior to nomination day for the election to be held in that year the vacancy need not be filled.

Vacancy  
after  
March 31st  
of election  
year  
1977, c. 62

2. The said Act is amended by adding thereto the following section:
 

s. 239a,  
enacted

239a. The council of every local municipality may pass by-laws for granting gratuities to the members of the fire brigade who have become incapacitated for service on account of injuries or ill-health caused by accident or exposure at fires, or from old age or inability to perform their duties, and for granting pecuniary aid or other assistance to the widows and children of persons killed by accident while in the discharge of their duties at fires, or who die from injuries received or from illness contracted while in the service of the municipality as fire fighters.

Fire  
fighters

- 3.—(1) Subsection 1 of section 248a of the said Act, as enacted by the Statutes of Ontario, 1974, chapter 136, section 3 and amended by 1975, chapter 56, section 1, is repealed and the following substituted therefor:
 

s. 248a (1),  
re-enacted

General  
power  
to make  
grants

(1) Notwithstanding any special provision in this Act or in any other general or special Act related to the making of grants or granting of aid by the council of a municipality, the council of every municipality may, subject to section 248, make grants, on such terms and conditions as to security and otherwise as the council may consider expedient, to any person, institution, association, group or body of any kind, including a fund, within or outside the boundaries of the municipality for any purpose that, in the opinion of the council, is in the interests of the municipality.

s. 248a (2, 4),  
re-enacted

(2) Subsections 2 and 4 of the said section 248a, as enacted by the Statutes of Ontario, 1975, chapter 56, section 1, are repealed and the following substituted therefor:

Loans,  
guarantees,  
etc.

(2) The power to make a grant includes,

- (a) the power to guarantee a loan and to make a grant by way of loan and to charge interest on the loan;
- (b) the power to sell or lease land for nominal consideration or to make a grant of land, where the land being sold, leased or granted is owned by the municipality but is no longer required for its purposes, and includes the power to provide for the use by any person of land owned or occupied by the municipality upon such terms and conditions as may be fixed by the council;
- (c) the power to sell, lease or otherwise dispose of, at a nominal price, or to make a grant of, any furniture, equipment, machinery, vehicles or other personal property of the municipality or to provide for the use thereof by any person on such conditions as may be fixed by the council; and
- (d) the power to make donations of foodstuffs and merchandise purchased by the municipality for such purpose.

Interpre-  
tation

(4) In this section,

- (a) "land" includes a building or structure or a part thereof;
- (b) "person" includes a municipality as defined in *The Municipal Affairs Act* and includes a metropolitan, regional and district municipality and the County of Oxford.

R.S.O. 1970,  
c. 118

ss. 248b, 248c,  
enacted

4. The said Act is further amended by adding thereto the following sections:

SECTION 4. The proposed section 248*b* confers a general power on municipalities to offer awards and gifts to persons whose actions or achievements are worthy of note and allows municipalities to establish competitions and award prizes.

The proposed section 248*c* confers a general power on municipalities to provide scholarships, awards and prizes.

These new provisions make certain other provisions of the Act redundant and complementary amendments are made to the Act by this Bill to repeal the redundant provisions.

SECTION 5. Section 249 authorizes municipalities and local boards of municipalities to destroy receipts, vouchers and other documents and records with the approval of the Ministry or in accordance with a by-law passed under clause *b* of subsection 1 of that section. The proposed subsections 3 to 5 establish procedures for the destruction of such documents where a local board is a local board of more than one municipality.

SECTION 6. The proposed section 254*a* authorizes municipalities and the Crown to enter into and perform the agreements set out in clauses *a*, *b* and *c* of subsection 2.

248b. The council of every municipality may provide for,

Awards  
and  
competitions

- (a) offering awards and gifts to persons whose actions or achievements are, in the opinion of council, worthy of note; and
- (b) establishing competitions and awarding prizes therefor.

248c.—(1) The council of every municipality may pass by-laws for providing fellowships, scholarships and other similar prizes and for paying all or part of the costs incurred or to be incurred by any person, including an officer or servant of the municipality, as a result of his attendance at an educational institution or as a result of his enrollment elsewhere in any program or course of instruction, training or education.

Fellowships,  
etc.

(2) In this section, “costs” includes tuition fees, costs of books and other materials used in connection with a course or program, and costs of food, travel and accommodation.

Interpre-  
tation

5. Section 249 of the said Act is amended by adding thereto the following subsections:

s. 249,  
amended

(3) Where a local board is a local board of more than one municipality, the local board may destroy its receipts, vouchers, instruments, rolls or other documents, records and papers,

Local boards  
of more  
than one  
municipality

- (a) after having obtained the approval of the Ministry; or
- (b) in accordance with a resolution passed by the board and approved by a majority of the municipalities for which the board is a local board if such majority of municipalities is represented by at least one-half of the municipally appointed members on the local board and also if the resolution has been approved by the auditor of the local board.

(4) A resolution passed under subsection 3 shall establish schedules of retention periods during which the receipts, vouchers, instruments, rolls and other documents, records and papers must be kept by the local board.

Retention  
schedules

(5) For the purposes of subsection 3, a member of a municipal council who serves pursuant to this or any other Act as an *ex officio* member of a local board shall be deemed to be a municipally appointed member of that local board.

Interpre-  
tation

6. The said Act is further amended by adding thereto the following section:

s. 254a,  
enacted

Interpre-  
tation

254a.—(1) In this section, “Crown” means Her Majesty the Queen in right of Ontario and includes any agency, board or commission thereof.

Agreements  
with  
Crown

(2) A municipality and the Crown may enter into and perform agreements on such terms and conditions as may be set out in the agreement,

(a) for the use of,

(i) any of the real and personal property, and

(ii) the services of any of the officers and servants,

of the municipality or the Crown;

(b) for the supply of any service, under the jurisdiction of the municipality;

(c) for jointly acquiring any real or personal property.

Jurisdiction

(3) For the purposes of carrying out agreements entered into under this section, the territorial jurisdiction of the council of a municipality is not confined to the municipality that it represents.

s. 293 (2) (e),  
re-enacted

7.—(1) Clause *e* of subsection 2 of section 293 of the said Act is repealed and the following substituted therefor:

(e) agreements for area fire protection under clause *c* of paragraph 25 of subsection 1 of section 354.

s. 293 (3) (b),  
amended

(2) Clause *b* of subsection 3 of the said section 293, as amended by the Statutes of Ontario, 1972, chapter 124, section 5, is further amended by striking out “37, 44, 71” in the second line.

s. 293 (3),  
amended

(3) Subsection 3 of the said section 293, as amended by the Statutes of Ontario, 1972, chapter 124, section 5, 1973, chapter 83, section 3, 1976, chapter 69, section 4, 1977, chapter 48, section 5 and 1979, chapter 63, section 5, is further amended by adding thereto the following clauses:

(q) under section 248a in respect of public hospitals, including municipal hospitals, public sanatoria, or municipal isolation hospitals and nurses’ residences therewith;

(r) under section 248a in respect of the maintenance or operation of a public park outside the municipality;



SECTION 7.—Subsection 1. Subsection 2 of section 293 deems certain debts not to be debts, the payment of which is not provided for in the estimates of the current year. The re-enactment of clause *e* is complementary to the amendment of paragraph 25 of subsection 1 of section 354 of the Act, as set out in subsection 2 of section 10 of the Bill and the repeal of paragraph 3 of section 376 of the Act, as set out in section 15 of the Bill.

Subsections 2, 3. Subsection 3 of section 293 exempts certain by-laws from the requirement for the assent of the electors where a debt will be incurred. The proposed amendments to clause *e* and the proposed clauses *q*, *r* and *s* are complementary to the enactment of section 248*a* of the Act as set out in section 3 of the Bill. The proposed clause *t* is complementary to the re-enactment of paragraph 25 of subsection 1 of section 354 of the Act as set out in subsection 2 of section 10 of the Bill.

SECTION 8. Section 351 provides for the establishment of institutions for the reclamation of habitual drunkards and provides for the committal of habitual drunkards to such institutions with or without hard labour. The section is considered to be unduly oppressive. However, under the proposed paragraph 62*c* of section 354 (1) as set out in subsection 6 of section 10 of the Bill a general power to establish treatment centres for alcoholics will be given to all local municipalities.

SECTION 9.—Subsection 1. The repealed paragraphs of section 352 will no longer be necessary because of the expanded powers to make grants under section 248*a*, the broadened power to pay tuition fees under section 248*c* and the broadened powers respecting municipal organizations set out in the proposed amendments to section 352 of the Act as set out in sections 3, 4 and 9 of this Bill.

Subsections 2, 3. References to municipal grants to aviation research are removed from paragraph 9 by the proposed re-enactment. Such grants will be payable under the proposed amendments to section 248*a* of the Act as set out in section 2 of the Bill. The reference in the present paragraph 9 to “air harbours and landing grounds” is changed to “aerodromes”. This reflects the terminology now in use in the Air Regulations.

The power to join municipal unions and other associations is broadened under the proposed re-enactment of paragraphs 10 and 13.

(s) under section 248a in respect of the Royal Botanical Gardens; or

(t) for providing money for the acquisition of land and the erection of buildings required for the purpose of a fire department and for the acquisition and installation of fire engines, apparatus and appliances for use in connection with the fire-fighting and fire protection services offered by the fire department.

8. Section 351 of the said Act is repealed.

s. 351,  
repealed

9.—(1) The following paragraphs of section 352 of the said Act are repealed:

s. 352,  
certain  
paragraphs  
repealed

1. Paragraphs 11, 12, 15, 28, 30, 31, 36, 37, 38, 43, 44 and 71.

2. Paragraphs 33, 39, 40 and 42, as amended by the Statutes of Ontario, 1975, chapter 56, section 4.

(2) Paragraphs 9 and 10 of the said section 352 are repealed and the following substituted therefor:

s. 352,  
pars. 9, 10,  
re-enacted

9. For establishing, operating, maintaining and improving aerodromes in compliance with the *Air Regulations* (Canada), and for entrusting the control and management of any aerodrome so established to a commission appointed by the council.

Air harbours  
and landing  
grounds

(a) For the purposes of this paragraph, the council of a local municipality may acquire land in the municipality or in any adjacent or an adjoining municipality or in any adjacent or adjoining territory without municipal organization, or may acquire by lease or otherwise an existing aerodrome in any municipality or in territory without municipal organization.

10. For any of the elected or appointed officers of the corporation becoming members of any municipal union or association or any other association for extending and improving the technical skill of such officers in the discharge of their municipal duties and for paying the whole or part of the fees for such membership and for paying the expenses of such officers attending any meeting of the association or upon its business.

Officers  
becoming  
members of  
municipal  
associations

(3) Paragraph 13 of the said section 352, as amended by the Statutes of Ontario, 1975, chapter 56, section 4, is repealed and the following substituted therefor:

s. 352,  
par. 13,  
re-enacted

Membership  
in  
associations

13. For the corporation becoming a member of or for appointing a representative to the membership of any association or organization where in the opinion of council it would be in the interests of the municipality to do so, and for paying the fees for such membership and for paying the expenses of delegates or representatives to any meeting of the association or organization or upon its business and for making contributions for the expenses of the association or organization.

s. 352, pars.  
21a, 23a,  
enacted

(4) The said section 352 is amended by adding thereto the following paragraphs:

Public fairs

21a. For regulating and governing public fairs.

Expenditures  
for  
publicity

23a. For providing for disseminating information respecting the advantages of the municipality as an industrial, agricultural, business, educational, residential or vacation centre.

(a) The power conferred by this section may be exercised jointly by two or more municipalities.

s. 352,  
par. 66 (ii),  
re-enacted

(5) Subparagraph ii of paragraph 66 of the said section 352 is repealed and the following substituted therefor:

(ii) group accident insurance or group sickness insurance for employees or any class thereof and their wives or husbands and children, and

s. 354 (1),  
par. 24,  
amended

**10.—(1)** Paragraph 24 of subsection 1 of section 354 of the said Act, as re-enacted by the Statutes of Ontario, 1973, chapter 175, section 5, is amended by adding thereto the following clause:

(a) A by-law passed under this paragraph may be made applicable to the whole municipality or to one or more defined areas thereof as set out in the by-law.

s. 354 (1),  
par. 25,  
re-enacted;  
par. 26,  
repealed

(2) Paragraphs 25 and 26 of subsection 1 of the said section 354 are repealed and the following substituted therefor:

Fire-  
fighting  
services,  
etc.

25. For providing fire-fighting and fire protection services and for establishing, operating, promoting and regulating life and property saving companies.

(a) A municipality under this paragraph may establish, maintain and operate a fire department to serve only a

Subsection 4. The power to regulate public fairs is given to all municipalities under the proposed paragraph 21*a*. This power is now set out in section 379 of the Act and may be exercised only by the councils of counties, separated towns and towns in unorganized territories.

The proposed paragraph 23*a* is similar to the present section 395. The reference to the establishment of a department of industries has been removed, as municipalities have this power without any specific statutory provision.

Subsection 5. The proposed amendment will allow municipalities to provide group accident or group sickness insurance to employees and to husbands of employees as well as to wives and children of employees. At present this coverage is available only to employees and to wives and children of employees.

SECTION 10. Subsection 1 of paragraph 24 allows the council of local municipalities to pass by-laws requiring fencing around outdoor pools. The proposed clause *a* will allow a municipality to restrict the operation of such a by-law to one or more defined areas of the municipality. At present, only a township municipality may restrict the operation of such a by-law.

Subsections 2-5. The proposed re-enactment of paragraph 25, the amendments to paragraphs 33 and 44 and the proposed paragraph 44*a* will give all local municipalities the same powers with respect to the establishment of fire departments and other fire matters. At present, different classes of local municipalities have different powers respecting the establishment of fire departments and other fire matters. Paragraph 38 is repealed because it is considered to be obsolete.



defined area of the municipality, in which case, a special annual rate may be levied by the municipality on all the rateable property in the defined area sufficient to pay all or part of the costs incurred in the establishment, maintenance and operation of the fire department including any amounts owing in respect of debentures issued in connection therewith.

(b) The power conferred by this paragraph may be exercised jointly by two or more municipalities upon such basis as to the distribution of cost as the municipalities may agree and each municipality shall issue its own debentures for its share of the capital cost of providing the joint fire service.

(c) The power conferred by this paragraph includes the power,

(i) to enter into agreements with any other municipality or person upon such terms and conditions and for such consideration based on cost as may be agreed or, failing agreement, as may be determined by the Municipal Board for the use of the fire-fighting equipment of the other municipality or person, or any of it, in the event of fire in any defined area of the municipality, and

(ii) to levy a special annual rate on all the rateable property in the defined area to defray the expenses incurred under and incidental to the agreement referred to in subclause i,

but, notwithstanding any provision in the agreement, no liability accrues to the other municipality or person for failing to supply the use of the fire-fighting equipment or any of it.

(3) Paragraph 33 of subsection 1 of the said section 354 is amended by striking out "defined areas of" in the third line. s. 354 (1),  
par. 33,  
amended

(4) Paragraph 38 of subsection 1 of the said section 354 is repealed. s. 354 (1),  
par. 38,  
repealed

(5) Paragraph 44 of subsection 1 of the said section 354 is amended by adding thereto the following clause: s. 354 (1),  
par. 44,  
amended

(a) by-laws passed under this paragraph and paragraphs 33 to 43 may be made applicable to the whole municipality or to one or more defined areas thereof as set out in the by-law.



s. 354 (1),  
amended

(6) Subsection 1 of the said section 354 is amended by adding thereto the following paragraphs:

Authority  
to call  
out help

44a. For authorizing the head of council or, in case of the absence of the head of council, any member of the council, in the event of an emergency arising in the municipality by reason of timber or forest fires, to call out such number of inhabitants of the municipality as may be necessary to fight and put out any such fires, and for fixing the amount of the remuneration to be paid to such inhabitants for the services rendered by them.

Site for  
armoury

62b. For acquiring land in the municipality for a drill-shed or armoury for any militia or volunteer corps having its headquarters in the municipality.

Treatment  
of  
alcoholics

62c. For establishing, erecting and maintaining an institution for the treatment of alcoholics.

Markets

62d. For establishing, maintaining and operating markets and for regulating such markets and any other markets located within the municipality.

(a) A by-law passed under this paragraph may,

(i) provide for charging market fees to vendors in a market established by the council and for prohibiting persons from selling or exposing things for sale in such a market if the fee has not been paid, and

(ii) regulate the hours of operation of any market within the municipality.

Regulating  
vending in  
streets, etc.

62e. For prohibiting or regulating sales by retail in the highways or on vacant lots adjacent to them and for regulating traffic in and preventing the blocking up of the highways by vehicles or otherwise.

(a) A by-law passed under this paragraph may be made applicable to the whole municipality or to any defined areas thereof.

Weigh  
scales

62f. For erecting and maintaining weigh scales within the municipality or within an adjacent municipality, and charging fees for the use thereof.

69a. For purchasing any wet land in the municipality, the price or which, in case of Crown lands, shall be fixed by the Lieutenant Governor in Council, and for draining such land. Purchase of wet land

75a. For acquiring, with the consent of the council thereof, land in any other municipality required for preventing the municipality or any part of it from being flooded by surface or other water flowing from such other municipality, or for an outlet for such water, and for constructing, maintaining and improving drains, sewers and watercourses in the land so acquired. Purchase of lands to prevent flooding

81a. For requiring the installation and maintenance of safety devices for window cleaners, for inspecting such devices and for prohibiting any person from cleaning the outside of windows of buildings on which such devices are installed unless such devices are used. Window cleaning safety devices

81b. For regulating the construction, erection, alteration or repairing of water tanks and water towers whether on buildings or elsewhere, and for prohibiting the construction, erection, altering or repairing of them contrary to such regulations. Regulation of water tanks

97a. For numbering the buildings and lots along any highway, beach, park, reserve or any other property in the municipality that it is considered necessary to number by the council, and for affixing numbers to the buildings and for charging the owner or occupant with the expense incident to the numbering of his lot or property. Numbering of buildings, etc.

- (a) Such expense may be collected in the same manner as taxes, and, if paid by the occupant, subject to any agreement between him and the owner, may be deducted from the rent payable to the owner.

97b. For keeping, and every such council shall keep, a record of the highways, beaches, parks, reserves and of the numbers of the buildings, lots, and other property, if any, and for entering therein, and every such council is hereby required to enter therein, a division of the streets with boundaries and distances for public inspection. Records of highways, etc.

Stands for  
vehicles

107c. For authorizing and assigning stands on the highways and in public places for motor vehicles not kept for hire, and for motor vehicles and other vehicles kept for hire, and regulating the use of the stands, and for authorizing the erection and maintenance of covered stands or booths on the highways and in public places for the protection or shelter of the drivers of such motor vehicles and other vehicles kept for hire, but no such covered stand or booth shall be placed upon the sidewalk without the consent of the owner and occupant of the adjoining land.

Unlocked  
motor  
vehicles

113a. For prohibiting any person driving or in charge of a motor vehicle, other than a commercial motor vehicle, from allowing such motor vehicle to stand unattended unless it is locked in such a manner as to prevent its operation by any person not authorized by the owner, driver or person in charge.

R.S.O. 1970,  
c. 202

(a) In this paragraph, "motor vehicle" and "commercial motor vehicle" mean "motor vehicle" and "commercial motor vehicle" as defined in *The Highway Traffic Act*.

Fencing of  
vacant lots

117a. For requiring vacant lots to be properly enclosed.

Removal of  
pigeons

120a. For empowering officers of the municipality upon the complaint of the owner or occupant of any premises, to enter upon such premises and the land and any buildings in the vicinity thereof for the purpose of trapping, removing or exterminating strayed pigeons that are causing annoyance to the owner or occupant or damages to such premises.

Laundries

139a. For licensing, regulating and governing laundries.

(a) A by-law passed under this paragraph shall not apply to or include individuals carrying on a laundry business in private dwelling houses.

Massage  
parlours

139b. For licensing, regulating, governing and inspecting massage parlours and such by-laws may provide for the enforcement thereof through the medical health department or the police department of the municipality.



Subsection 6. The proposed new paragraphs, except paragraph 139*c*, relate to powers now contained in other sections of the Act. In some cases these powers, at present, may only be exercised by particular classes of municipalities. By including these paragraphs in section 354, they may be exercised by all local municipalities. The proposed paragraph 139*c* is a new power and provides for licensing, regulating and governing sandblasters and other persons who clean the exteriors of buildings.

Subsection 7. Subsection 2 of section 354 will no longer be necessary because of the amendments to paragraphs 24 and 44 of section 354 (1) of the Act as set out in subsections 2 and 5 of section 10 of the Bill. Subsection 3 of section 354 permits township municipalities to levy special rates on a defined area of the municipality to defray the cost of public washrooms. It is felt that this provision is no longer appropriate.

SECTION 11. Section 355 permits a municipality to pass by-laws determining closing hours for businesses in the municipality. Subsection 22 permits a term of imprisonment for a breach of such a by-law. With the enactment of *The Provincial Offences Act, 1979*, subsection 22 is now considered to be inappropriate.

SECTION 12. Except as otherwise noted, the repeals listed in this section of the Bill are complementary to the amendments to the Act set out in sections 2, 3, 4, 9 and 10 of the Bill.

The following provisions of the Act are now considered to be obsolete and are included in the repeals referred to in the preceding paragraph:

1. Paragraphs 1, 2, 7 and 13 of section 363
2. Paragraphs 3, 5, 6, 8, 11, 12, 13 and 14 of section 364
3. Section 365
4. Paragraphs 2 and 3 of section 371
5. Section 380
6. Section 442

SECTION 13. The proposed section 368 is the same as the present paragraph 5 of that section. The repeal of the present paragraphs 1, 2 and 3 is complementary to the amendments to the Act set out in sections 3 and 10 of the Bill.

Paragraphs 4 and 6 are repealed as it is felt that they are unnecessary as these powers may be exercised under other provisions of this Act and *The Police Act* dealing with municipal expenditures.

SECTION 14. Paragraphs 1 and 9 of section 373 will no longer be necessary because of the amendments to section 248*a* of the Act as set out in section 2 of the Bill.

139c. For licensing, regulating and governing sandblasters and other persons who for gain use chemicals or pressurized air, water, steam, sand or other abrasives to clean or restore the exteriors of buildings or other structures. Sandblasters, etc.

(7) Subsections 2 and 3 of the said section 354 are repealed. s. 354 (2, 3), repealed

**11.** Subsection 22 of section 355 of the said Act is repealed. s. 355 (22), repealed

**12.** The following sections of the said Act are repealed: Sections repealed

1. Section 363, as amended by the Statutes of Ontario, 1979, chapter 63, section 8.

2. Sections 364 and 365, as amended by the Statutes of Ontario, 1978, chapter 87, section 40.

3. Section 366, as amended by the Statutes of Ontario, 1975, chapter 56, section 6.

4. Section 370.

5. Section 371, as amended by the Statutes of Ontario, 1975, chapter 56, section 9.

6. Section 375.

7. Section 379.

8. Section 380.

9. Section 395, as re-enacted by the Statutes of Ontario, 1976, chapter 51, section 11.

10. Section 442, as amended by the Statutes of Ontario, 1978, chapter 87, section 40.

11. Section 459.

**13.** Section 368 of the said Act, as amended by the Statutes of Ontario, 1976, chapter 69, section 13, is repealed and the following substituted therefor: s. 368, re-enacted

368. By-laws may be passed by the councils of cities and towns for placing the control and management of sewage works under a commission established under *The Public Utilities Act* but the by-law shall not be passed without the assent of the electors. Commission may manage sewage works R.S.O. 1970, c. 390

**14.** Paragraphs 1 and 9 of section 373 of the said Act are repealed. s. 373, pars. 1, 9, repealed



s. 376,  
pars. 1-4, 7-15,  
repealed

- 15.** Paragraphs 1 and 2, as re-enacted by the Statutes of Ontario, 1972, chapter 124, section 12, and paragraphs 3, 4 and 7 to 15 of section 376 of the said Act are repealed.

s. 381 (1),  
par. 1 (*d*),  
re-enacted

- 16.** Clause *d* of paragraph 1 of subsection 1 of section 381 of the said Act is repealed and the following substituted therefor:

Certain  
powers not  
affected

- (*d*) Nothing in this paragraph affects the powers to pass by-laws under paragraph 62*d* of subsection 1 of section 354, paragraph 1 of section 382, and paragraphs 16 and 17 of section 383.

s. 382,  
par. 1 (*a*, *b*),  
re-enacted

- 17.** Clauses *a* and *b* of paragraph 1 of section 382 of the said Act are repealed and the following substituted therefor:

- (*a*) Nothing in this paragraph affects the powers conferred by paragraph 62*d* of subsection 1 of section 354.

s. 386,  
pars. 1, 2,  
repealed

- 18.** Paragraphs 1 and 2 of section 386 of the said Act are repealed.

s. 389*g*,  
re-enacted

- 19.** Section 389*g* of the said Act, as enacted by the Statutes of Ontario, 1979, chapter 101, section 9, is repealed and the following substituted therefor:

Conservation  
authorities

389*g*.—(1) Notwithstanding sections 389*a* to 389*f*, a conservation authority is responsible for establishing and paying the remuneration and expenses of the members of the conservation authority appointed by its participating municipalities, unless the conservation authority on or before the 15th day of November in the year preceding the year for which such resolution applies passes a resolution transferring the responsibility for establishing remuneration and expenses to the participating municipalities, in which case the remuneration and expenses shall be established and paid in accordance with section 389*f*.

Effective  
date of  
resolution

(2) A resolution passed by a conservation authority under subsection 1 in any year shall take effect on the 1st day of January in the immediately following year.

s. 443 (4),  
re-enacted

- 20.** Subsection 4 of section 443 of the said Act is repealed and the following substituted therefor:

Approval  
of Governor  
General to  
by-law

(4) The powers conferred by subsection 1 shall not be exercised without the consent of the Governor General in Council in respect of,



SECTION 15. The repealed paragraphs of section 376, except paragraphs 10, 11 and 12, will no longer be necessary because of the amendments to section 354 (1) of the Act as set out in section 10 of the Bill.

Paragraphs 10, 11 and 12 are being repealed because they are now considered to be obsolete.

SECTIONS 16 AND 17. The re-enactments set out in these sections are complementary to the enactment of paragraph 62*d* of section 354 (1) as set out in section 10 of the Bill and the repeal of sections 364 and 365 as set out in section 12 of the Bill.

SECTION 18. The repealed paragraphs are now considered to be obsolete.

SECTION 19. At present, a conservation authority may transfer its responsibility for the payment of municipal appointees to the participating municipalities. Under the proposed re-enactment of section 389*g*, a resolution transferring such responsibility must be passed by the conservation authority on or before November 15th in the year preceding the transfer of the responsibility and the transfer will occur on the 1st day of January of the next following year.

SECTION 20. Subsection 4 of section 443 now reads as follows:

(4) *The powers conferred by subsection 1 shall not be exercised without the consent of the Governor General in Council in respect of,*

(a) *any street, lane or thoroughfare made or laid out by Her Majesty's Ordinance or the Principal Secretary of State in whom the Ordinance estates became vested under the Act of the late Province of Canada passed in the 19th year of the reign of Her late Majesty Queen Victoria, Chapter 45, or under Chapter 24 of the Consolidated Statutes of Canada, or made or laid out by the Government of Canada;*

(b) *any land owned by the Crown in right of Canada;*

(c) *any bridge, wharf, dock, quay or other work vested in the Crown in right of Canada,*

*or so as to interfere with any land reserved for military purposes or with the integrity of the public defences, and the consent of the Governor General in Council shall be recited in the by-law, but the by-law shall not be quashed or open to question because of the omission to recite it if the consent has been in fact given.*

The underlined words are deleted.

SECTION 21. Section 452 allows municipalities to make grants respecting highways. Such grants may be made under section 248*a* of the Act as amended by section 3 of the Bill. The proposed section 452 deletes references to such grants.

SECTION 22. The re-enactment of paragraph 4 of section 453 removes the minimum and maximum fines set out in clause *a* of the present paragraph 4 and broadens the power to regulate the use of any bicycle path or foot path. The general penalty provisions of the Act will now apply to by-laws passed under this paragraph.

SECTION 23. Subsection 7 of section 457 sets out a maximum fine that may be imposed on a person who ties an animal to a tree or who injures or destroys a tree growing upon a highway right of way. The general penalty provision of the Act will now apply to a person who injures or destroys such a tree.

SECTION 24. Paragraph 7 of section 460 now reads as follows:

*The councils of all municipalities may pass by-laws*

*7. To provide for placing, regulating and maintaining upon the public highways traffic signs for the purpose of guiding and directing traffic; provided that no by-law shall authorize the placing of such signs upon that portion of any highway that lies between the double tracks of a street railway constructed upon such highway known as the devil strip.*

The underlined words are deleted.

SECTION 25. Section 466 now reads as follows:

466.—(1) *By-laws may be passed by the councils of all municipalities and by boards of commissioners of police for imposing fines of not more than \$1,000, exclusive of costs, upon every person who contravenes any by-law of the council or of the board passed under the authority of this Act.*

(2) *Every such fine is recoverable under The Summary Convictions Act, all the provisions of which apply, except that proceedings to enforce by-laws passed under section 38 of The Planning Act or any predecessor of such section may be instituted within one year after the time when the subject-matter of the proceedings arose and except that the imprisonment may be for a term of not more than six months for the breach of a by-law of the council or the board of commissioners of police of a city, and in all other cases for a term of not more than twenty-one days.*

The re-enactment of section 466 increases the maximum fine which may be imposed under a municipal by-law from \$1,000 to \$2,000. Other amendments to the section are consistent with the enactment of *The Provincial Offences Act, 1979*.

- (a) any street, lane or thoroughfare made or laid out by Her Majesty's Ordinance or the Provincial Secretary of State in whom the Ordinance estates became vested under the Act of the late Province of Canada passed in the 19th year of the reign of Her Late Majesty Queen Victoria, Chapter 45, or under Chapter 24 of the Consolidated Statutes of Canada, or made or laid out by the Government of Canada;
- (b) any land owned by the Crown in right of Canada; or
- (c) any bridge, wharf, dock, quay or other work vested in the Crown in right of Canada,

and the consent of the Governor General in Council shall be recited in the by-law, but the by-law shall not be quashed or open to question because of the omission to recite it if the consent has been given.

- 21.** Section 452 of the said Act is repealed and the following substituted therefor: s. 452,  
re-enacted

452. The council of a municipality in unorganized territory may pass by-laws for opening, widening, maintaining or improving any highway or constructing, maintaining or improving any bridge in an adjoining municipality or unorganized township or in adjoining unsurveyed territory. Opening or  
improving,  
etc.,  
highways in  
unorganized  
territories

- 22.** Paragraph 4 of section 453 of the said Act is repealed and the following substituted therefor: s. 453,  
par. 4,  
re-enacted

4. For setting apart and laying out so much of any highway as the council may consider expedient for the purposes of a bicycle path or foot path and for the regulation of the use of such a bicycle path or foot path. Bicycle  
paths

- 23.** Subsection 7 of section 457 of the said Act is repealed. s. 457 (7),  
repealed

- 24.** Paragraph 7 of section 460 of the said Act is repealed and the following substituted therefor: s. 460,  
par. 7,  
re-enacted

7. To provide for placing, regulating and maintaining upon the public highways traffic signs for the purposes of guiding and directing traffic. Signs

- 25.** Section 466 of the said Act, as amended by the Statutes of Ontario, 1972, chapter 124, section 17, is repealed and the following substituted therefor: s. 466,  
re-enacted

Power to  
impose  
fines

466. By-laws may be passed by the councils of all municipalities and by boards of commissioners of police for imposing fines of not more than \$2,000, exclusive of costs, upon every person who contravenes any by-law of the council or of the board passed under the authority of this Act.

s. 636a,  
amended

**26.—**(1) Section 636a of the said Act, as enacted by the Statutes of Ontario, 1972, chapter 124, section 25 and amended by 1973, chapter 175, section 9, 1974, chapter 136, section 25, 1979, chapter 50, section 2 and 1979, chapter 101, section 11, is further amended by adding thereto the following subsections:

Restoration  
of taxes  
to tax roll

(6a) Where a council or the Assessment Review Court has made a decision in any year under subsection 6 to cancel, refund or reduce taxes for that year in respect of a building mentioned in clause *c* of subsection 1 and where subsequently the council or the Assessment Review Court, as the case may be, is satisfied that the building has been reconstructed or repaired and has been returned to use prior to the end of that year, the council or the Assessment Review Court, as the case may be, may direct that such portion as it considers appropriate of the tax reduction or of the taxes that were cancelled or refunded be restored to the collector's roll as taxes owing for that year and such a direction may be made at any time up to the 28th day of February of the immediately following year.

Right to  
hearing

(6b) No direction shall be made under subsection 6a in respect of taxes on any building without first affording an opportunity to be heard to any person who, according to the collector's roll, would be chargeable for the taxes if a portion thereof were restored to the collector's roll.

Appeals

(6c) The provisions of this section respecting an appeal of a decision made under subsection 6 apply with necessary modifications to a direction made under subsection 6a.

Payment

(6d) Taxes restored to a collector's roll for any year pursuant to a direction made under subsection 6a shall, upon notice to the person chargeable therewith, become payable as part of the next installment of taxes payable by that person in that year following the giving of a notice or demand therefor and where no installment remains payable in the year following the giving of the notice or demand or where the notice or demand is given in the next following year, the taxes mentioned in the notice shall become due and payable or in arrears, as the case may be, on the fifteenth day following the giving of the notice or demand, and where the notice or demand was given in the next following year interest added under section 553 shall accrue from the date that the taxes became due and payable, or in arrears, and not from the 31st day of December of the year in which the taxes were levied.

SECTION 26.—Subsection 1. Under clause *c* of subsection 1 of section 636*a* a municipality may cancel, reduce or refund taxes in respect of a building that has been razed or damaged.

The proposed subsections 6*a* to 6*d* provide a mechanism for restoring such properties to the tax roll where the building is restored or returned to use before the end of the year for which the taxes were cancelled, refunded or reduced.

Subsections 2 and 3. At present, applications to have taxes cancelled, reduced or refunded must be heard not later than March 31st of the year for which the application is made. Under the proposed amendments the deadline for disposing of applications is extended to the 30th day of April of that year.

Subsection 4. Subsection 9 of section 636*a* imposes time limits for appeals. The amendment is complementary to the amendments set out in subsections 2 and 3.



- (2) Subsection 7 of the said section 636a, as amended by the Statutes of Ontario, 1973, chapter 175, section 9, is further amended by striking out "31st day of March" in the second line and inserting in lieu thereof "30th day of April". s. 636a (7),  
amended
- (3) Subsection 7a of the said section 636a, as enacted by the Statutes of Ontario, 1973, chapter 175, section 9, is amended by striking out "31st day of March" in the third and fourth lines and inserting in lieu thereof "30th day of April". s. 636a (7a),  
amended
- (4) Subsection 9 of the said section 636a is amended by striking out "31st day of March" in the seventh line and inserting in lieu thereof "30th day of April". s. 636a (9),  
amended

**27.**—(1) This Act, except paragraph 8 of section 12, comes into force on the day it receives Royal Assent. Commence-  
ment

- (2) Paragraph 8 of section 12 comes into force on the 1st day of January, 1983. Idem

**28.** The short title of this Act is *The Municipal Amendment Act, 1980*. Short title







An Act to amend  
The Municipal Act

*1st Reading*

November 14th, 1980

*2nd Reading*

*3rd Reading*

THE HON. T. L. WELLS  
Minister of Intergovernmental Affairs

*(Government Bill)*

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4TH SESSION, 31ST LEGISLATURE, ONTARIO  
29 ELIZABETH II, 1980

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An Act to amend The Municipal Act

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THE HON. T. L. WELLS  
Minister of Intergovernmental Affairs

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BILL 193

1980

## An Act to amend The Municipal Act

**H**ER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. Subsection 3 of section 45 of *The Municipal Act*, being chapter 284 of the Revised Statutes of Ontario, 1970, as re-enacted by the Statutes of Ontario, 1972, chapter 121, section 11, is repealed and the following substituted therefor: s. 45 (3),  
re-enacted

(3) Where a vacancy occurs in the office of a member of the council of a local municipality after the 31st day of March of an election year as defined in *The Municipal Elections Act, 1977*, the vacancy shall not be filled by a new election as provided in subsection 1 or 2 but the council shall fill such vacancy in accordance with the provisions of section 44 within forty-five days after the day that the vacancy occurs, but where the vacancy occurs less than forty-six days prior to nomination day for the election to be held in that year the vacancy need not be filled. Vacancy  
after  
March 31st  
of election  
year  
1977, c. 62

2. The said Act is amended by adding thereto the following section: s. 239a,  
enacted

239a. The council of every local municipality may pass by-laws for granting gratuities to the members of the fire brigade who have become incapacitated for service on account of injuries or ill-health caused by accident or exposure at fires, or from old age or inability to perform their duties, and for granting pecuniary aid or other assistance to the widows and children of persons killed by accident while in the discharge of their duties at fires, or who die from injuries received or from illness contracted while in the service of the municipality as fire fighters. Fire  
fighters

- 3.—(1) Subsection 1 of section 248a of the said Act, as enacted by the Statutes of Ontario, 1974, chapter 136, section 3 and amended by 1975, chapter 56, section 1, is repealed and the following substituted therefor: s. 248a (1),  
re-enacted

General  
power  
to make  
grants

(1) Notwithstanding any special provision in this Act or in any other general or special Act related to the making of grants or granting of aid by the council of a municipality, the council of every municipality may, subject to section 248, make grants, on such terms and conditions as to security and otherwise as the council may consider expedient, to any person, institution, association, group or body of any kind, including a fund, within or outside the boundaries of the municipality for any purpose that, in the opinion of the council, is in the interests of the municipality.

s. 248a (2, 4),  
re-enacted

(2) Subsections 2 and 4 of the said section 248a, as enacted by the Statutes of Ontario, 1975, chapter 56, section 1, are repealed and the following substituted therefor:

Loans,  
guarantees,  
etc.

(2) The power to make a grant includes,

- (a) the power to guarantee a loan and to make a grant by way of loan and to charge interest on the loan;
- (b) the power to sell or lease land for nominal consideration or to make a grant of land, where the land being sold, leased or granted is owned by the municipality but is no longer required for its purposes, and includes the power to provide for the use by any person of land owned or occupied by the municipality upon such terms and conditions as may be fixed by the council;
- (c) the power to sell, lease or otherwise dispose of, at a nominal price, or to make a grant of, any furniture, equipment, machinery, vehicles or other personal property of the municipality or to provide for the use thereof by any person on such conditions as may be fixed by the council; and
- (d) the power to make donations of foodstuffs and merchandise purchased by the municipality for such purpose.

Interpre-  
tation

(4) In this section,

- (a) "land" includes a building or structure or a part thereof;
- (b) "person" includes a municipality as defined in *The Municipal Affairs Act* and includes a metropolitan, regional and district municipality and the County of Oxford.

R.S.O. 1970,  
c. 118

ss. 248b, 248c,  
enacted

4. The said Act is further amended by adding thereto the following sections:



248b. The council of every municipality may provide for,

Awards  
and  
competitions

- (a) offering awards and gifts to persons whose actions or achievements are, in the opinion of council, worthy of note; and
- (b) establishing competitions and awarding prizes therefor.

248c.—(1) The council of every municipality may pass by-laws for providing fellowships, scholarships and other similar prizes and for paying all or part of the costs incurred or to be incurred by any person, including an officer or servant of the municipality, as a result of his attendance at an educational institution or as a result of his enrollment elsewhere in any program or course of instruction, training or education.

Fellowships,  
etc.

(2) In this section, “costs” includes tuition fees, costs of books and other materials used in connection with a course or program, and costs of food, travel and accommodation.

Interpre-  
tation

5. Section 249 of the said Act is amended by adding thereto the following subsections:

s. 249,  
amended

(3) Where a local board is a local board of more than one municipality, the local board may destroy its receipts, vouchers, instruments, rolls or other documents, records and papers,

Local boards  
of more  
than one  
municipality

- (a) after having obtained the approval of the Ministry; or
- (b) in accordance with a resolution passed by the board and approved by a majority of the municipalities for which the board is a local board if such majority of municipalities is represented by at least one-half of the municipally appointed members on the local board and also if the resolution has been approved by the auditor of the local board.

(4) A resolution passed under subsection 3 shall establish schedules of retention periods during which the receipts, vouchers, instruments, rolls and other documents, records and papers must be kept by the local board.

Retention  
schedules

(5) For the purposes of subsection 3, a member of a municipal council who serves pursuant to this or any other Act as an *ex officio* member of a local board shall be deemed to be a municipally appointed member of that local board.

Interpre-  
tation

6. The said Act is further amended by adding thereto the following section:

s. 254a,  
enacted

Interpre-  
tation

254*a*.—(1) In this section, “Crown” means Her Majesty the Queen in right of Ontario and includes any agency, board or commission thereof.

Agreements  
with  
Crown

(2) A municipality and the Crown may enter into and perform agreements on such terms and conditions as may be set out in the agreement,

(*a*) for the use of,

(i) any of the real and personal property, and

(ii) the services of any of the officers and servants,

of the municipality or the Crown;

(*b*) for the supply of any service, under the jurisdiction of the municipality;

(*c*) for jointly acquiring any real or personal property.

Jurisdiction

(3) For the purposes of carrying out agreements entered into under this section, the territorial jurisdiction of the council of a municipality is not confined to the municipality that it represents.

s. 293 (2) (*e*),  
re-enacted

7.—(1) Clause *e* of subsection 2 of section 293 of the said Act is repealed and the following substituted therefor:

(*e*) agreements for area fire protection under clause *c* of paragraph 25 of subsection 1 of section 354.

s. 293 (3) (*b*),  
amended

(2) Clause *b* of subsection 3 of the said section 293, as amended by the Statutes of Ontario, 1972, chapter 124, section 5, is further amended by striking out “37, 44, 71” in the second line.

s. 293 (3),  
amended

(3) Subsection 3 of the said section 293, as amended by the Statutes of Ontario, 1972, chapter 124, section 5, 1973, chapter 83, section 3, 1976, chapter 69, section 4, 1977, chapter 48, section 5 and 1979, chapter 63, section 5, is further amended by adding thereto the following clauses:

(*q*) under section 248*a* in respect of public hospitals, including municipal hospitals, public sanatoria, or municipal isolation hospitals and nurses’ residences therewith;

(*r*) under section 248*a* in respect of the maintenance or operation of a public park outside the municipality;

- (s) under section 248a in respect of the Royal Botanical Gardens; or
- (t) for providing money for the acquisition of land and the erection of buildings required for the purpose of a fire department and for the acquisition and installation of fire engines, apparatus and appliances for use in connection with the fire-fighting and fire protection services offered by the fire department.

8. Section 351 of the said Act is repealed.

s. 351,  
repealed

9.—(1) The following paragraphs of section 352 of the said Act are repealed:

s. 352,  
certain  
paragraphs  
repealed

1. Paragraphs 11, 12, 15, 28, 30, 31, 36, 37, 38, 43, 44 and 71.

2. Paragraphs 33, 39, 40 and 42, as amended by the Statutes of Ontario, 1975, chapter 56, section 4.

(2) Paragraphs 9 and 10 of the said section 352 are repealed and the following substituted therefor:

s. 352,  
pars. 9, 10,  
re-enacted

9. For establishing, operating, maintaining and improving aerodromes in compliance with the *Air Regulations* (Canada), and for entrusting the control and management of any aerodrome so established to a commission appointed by the council.

Air harbours  
and landing  
grounds

(a) For the purposes of this paragraph, the council of a local municipality may acquire land in the municipality or in any adjacent or adjoining municipality or in any adjacent or adjoining territory without municipal organization, or may acquire by lease or otherwise an existing aerodrome in any municipality or in territory without municipal organization.

10. For any of the elected or appointed officers of the corporation becoming members of any municipal union or association or any other association for extending and improving the technical skill of such officers in the discharge of their municipal duties and for paying the whole or part of the fees for such membership and for paying the expenses of such officers attending any meeting of the association or upon its business.

Officers  
becoming  
members of  
municipal  
associations

(3) Paragraph 13 of the said section 352, as amended by the Statutes of Ontario, 1975, chapter 56, section 4, is repealed and the following substituted therefor:

s. 352,  
par. 13,  
re-enacted

Membership  
in  
associations

13. For the corporation becoming a member of or for appointing a representative to the membership of any association or organization where in the opinion of council it would be in the interests of the municipality to do so, and for paying the fees for such membership and for paying the expenses of delegates or representatives to any meeting of the association or organization or upon its business and for making contributions for the expenses of the association or organization.

s. 352, pars.  
21a, 23a,  
enacted

(4) The said section 352 is amended by adding thereto the following paragraphs:

Public fairs

21a. For regulating and governing public fairs.

Expenditures  
for  
publicity

23a. For providing for disseminating information respecting the advantages of the municipality as an industrial, agricultural, business, educational, residential or vacation centre.

(a) The power conferred by this section may be exercised jointly by two or more municipalities.

s. 352,  
par. 66 (ii),  
re-enacted

(5) Subparagraph ii of paragraph 66 of the said section 352 is repealed and the following substituted therefor:

(ii) group accident insurance or group sickness insurance for employees or any class thereof and their wives or husbands and children, and

s. 354 (1),  
par. 24,  
amended

**10.—(1)** Paragraph 24 of subsection 1 of section 354 of the said Act, as re-enacted by the Statutes of Ontario, 1973, chapter 175, section 5, is amended by adding thereto the following clause:

(a) A by-law passed under this paragraph may be made applicable to the whole municipality or to one or more defined areas thereof as set out in the by-law.

s. 354 (1),  
par. 25,  
re-enacted;  
par. 26,  
repealed

(2) Paragraphs 25 and 26 of subsection 1 of the said section 354 are repealed and the following substituted therefor:

Fire-  
fighting  
services,  
etc.

25. For providing fire-fighting and fire protection services and for establishing, operating, promoting and regulating life and property saving companies.

(a) A municipality under this paragraph may establish, maintain and operate a fire department to serve only a

defined area of the municipality, in which case, a special annual rate may be levied by the municipality on all the rateable property in the defined area sufficient to pay all or part of the costs incurred in the establishment, maintenance and operation of the fire department including any amounts owing in respect of debentures issued in connection therewith.

(b) The power conferred by this paragraph may be exercised jointly by two or more municipalities upon such basis as to the distribution of cost as the municipalities may agree and each municipality shall issue its own debentures for its share of the capital cost of providing the joint fire service.

(c) The power conferred by this paragraph includes the power,

(i) to enter into agreements with any other municipality or person upon such terms and conditions and for such consideration based on cost as may be agreed or, failing agreement, as may be determined by the Municipal Board for the use of the fire-fighting equipment of the other municipality or person, or any of it, in the event of fire in any defined area of the municipality, and

(ii) to levy a special annual rate on all the rateable property in the defined area to defray the expenses incurred under and incidental to the agreement referred to in subclause i,

but, notwithstanding any provision in the agreement, no liability accrues to the other municipality or person for failing to supply the use of the fire-fighting equipment or any of it.

(3) Paragraph 33 of subsection 1 of the said section 354 is amended by striking out “defined areas of” in the third line. s. 354 (1),  
par. 33,  
amended

(4) Paragraph 38 of subsection 1 of the said section 354 is repealed. s. 354 (1),  
par. 38,  
repealed

(5) Paragraph 44 of subsection 1 of the said section 354 is amended by adding thereto the following clause: s. 354 (1),  
par. 44,  
amended

(a) by-laws passed under this paragraph and paragraphs 33 to 43 may be made applicable to the whole municipality or to one or more defined areas thereof as set out in the by-law.



s. 354 (1),  
amended

(6) Subsection 1 of the said section 354 is amended by adding thereto the following paragraphs:

Authority  
to call  
out help

44a. For authorizing the head of council or, in case of the absence of the head of council, any member of the council, in the event of an emergency arising in the municipality by reason of timber or forest fires, to call out such number of inhabitants of the municipality as may be necessary to fight and put out any such fires, and for fixing the amount of the remuneration to be paid to such inhabitants for the services rendered by them.

Site for  
armoury

62b. For acquiring land in the municipality for a drill-shed or armoury for any militia or volunteer corps having its headquarters in the municipality.

Treatment  
of  
alcoholics

62c. For establishing, erecting and maintaining an institution for the treatment of alcoholics.

Markets

62d. For establishing, maintaining and operating markets and for regulating such markets and any other markets located within the municipality.

(a) A by-law passed under this paragraph may,

(i) provide for charging market fees to vendors in a market established by the council and for prohibiting persons from selling or exposing things for sale in such a market if the fee has not been paid, and

(ii) regulate the hours of operation of any market within the municipality.

Regulating  
vending in  
streets, etc.

62e. For prohibiting or regulating sales by retail in the highways or on vacant lots adjacent to them and for regulating traffic in and preventing the blocking up of the highways by vehicles or otherwise.

(a) A by-law passed under this paragraph may be made applicable to the whole municipality or to any defined areas thereof.

Weigh  
scales

62f. For erecting and maintaining weigh scales within the municipality or within an adjacent municipality, and charging fees for the use thereof.

69a. For purchasing any wet land in the municipality, the price or which, in case of Crown lands, shall be fixed by the Lieutenant Governor in Council, and for draining such land.

Purchase  
of wet  
land

75a. For acquiring, with the consent of the council thereof, land in any other municipality required for preventing the municipality or any part of it from being flooded by surface or other water flowing from such other municipality, or for an outlet for such water, and for constructing, maintaining and improving drains, sewers and watercourses in the land so acquired.

Purchase  
of lands  
to prevent  
flooding

81a. For requiring the installation and maintenance of safety devices for window cleaners, for inspecting such devices and for prohibiting any person from cleaning the outside of windows of buildings on which such devices are installed unless such devices are used.

Window  
cleaning  
safety  
devices

81b. For regulating the construction, erection, alteration or repairing of water tanks and water towers whether on buildings or elsewhere, and for prohibiting the construction, erection, altering or repairing of them contrary to such regulations.

Regulation  
of water  
tanks

97a. For numbering the buildings and lots along any highway, beach, park, reserve or any other property in the municipality that it is considered necessary to number by the council, and for affixing numbers to the buildings and for charging the owner or occupant with the expense incident to the numbering of his lot or property.

Numbering  
of buildings,  
etc.

- (a) Such expense may be collected in the same manner as taxes, and, if paid by the occupant, subject to any agreement between him and the owner, may be deducted from the rent payable to the owner.

97b. For keeping, and every such council shall keep, a record of the highways, beaches, parks, reserves and of the numbers of the buildings, lots, and other property, if any, and for entering therein, and every such council is hereby required to enter therein, a division of the streets with boundaries and distances for public inspection.

Records of  
highways,  
etc.



Stands for  
vehicles

107c. For authorizing and assigning stands on the highways and in public places for motor vehicles not kept for hire, and for motor vehicles and other vehicles kept for hire, and regulating the use of the stands, and for authorizing the erection and maintenance of covered stands or booths on the highways and in public places for the protection or shelter of the drivers of such motor vehicles and other vehicles kept for hire, but no such covered stand or booth shall be placed upon the sidewalk without the consent of the owner and occupant of the adjoining land.

Unlocked  
motor  
vehicles

113a. For prohibiting any person driving or in charge of a motor vehicle, other than a commercial motor vehicle, from allowing such motor vehicle to stand unattended unless it is locked in such a manner as to prevent its operation by any person not authorized by the owner, driver or person in charge.

R.S.O. 1970,  
c. 202

(a) In this paragraph, "motor vehicle" and "commercial motor vehicle" mean "motor vehicle" and "commercial motor vehicle" as defined in *The Highway Traffic Act*.

Fencing of  
vacant lots

117a. For requiring vacant lots to be properly enclosed.

Removal of  
pigeons

120a. For empowering officers of the municipality upon the complaint of the owner or occupant of any premises, to enter upon such premises and the land and any buildings in the vicinity thereof for the purpose of trapping, removing or exterminating strayed pigeons that are causing annoyance to the owner or occupant or damages to such premises.

Laundries

139a. For licensing, regulating and governing laundries.

(a) A by-law passed under this paragraph shall not apply to or include individuals carrying on a laundry business in private dwelling houses.

Massage  
parlours

139b. For licensing, regulating, governing and inspecting massage parlours and such by-laws may provide for the enforcement thereof through the medical health department or the police department of the municipality.

139c. For licensing, regulating and governing sandblasters and other persons who for gain use chemicals or pressurized air, water, steam, sand or other abrasives to clean or restore the exteriors of buildings or other structures. Sandblasters, etc.

(7) Subsections 2 and 3 of the said section 354 are repealed. s. 354 (2, 3), repealed

**11.** Subsection 22 of section 355 of the said Act is repealed. s. 355 (22), repealed

**12.** The following sections of the said Act are repealed: Sections repealed

1. Section 363, as amended by the Statutes of Ontario, 1979, chapter 63, section 8.

2. Sections 364 and 365, as amended by the Statutes of Ontario, 1978, chapter 87, section 40.

3. Section 366, as amended by the Statutes of Ontario, 1975, chapter 56, section 6.

4. Section 370.

5. Section 371, as amended by the Statutes of Ontario, 1975, chapter 56, section 9.

6. Section 375.

7. Section 379.

8. Section 380.

9. Section 395, as re-enacted by the Statutes of Ontario, 1976, chapter 51, section 11.

10. Section 442, as amended by the Statutes of Ontario, 1978, chapter 87, section 40.

11. Section 459.

**13.** Section 368 of the said Act, as amended by the Statutes of Ontario, 1976, chapter 69, section 13, is repealed and the following substituted therefor: s. 368, re-enacted

368. By-laws may be passed by the councils of cities and towns for placing the control and management of sewage works under a commission established under *The Public Utilities Act* but the by-law shall not be passed without the assent of the electors. Commission may manage sewage works  
R.S.O. 1970, c. 390

**14.** Paragraphs 1 and 9 of section 373 of the said Act are repealed. s. 373, pars. 1, 9, repealed

s. 376,  
pars. 1-4, 7-15,  
repealed

- 15.** Paragraphs 1 and 2, as re-enacted by the Statutes of Ontario, 1972, chapter 124, section 12, and paragraphs 3, 4 and 7 to 15 of section 376 of the said Act are repealed.

s. 381 (1),  
par. 1 (*d*),  
re-enacted

- 16.** Clause *d* of paragraph 1 of subsection 1 of section 381 of the said Act is repealed and the following substituted therefor:

Certain  
powers not  
affected

- (*d*) Nothing in this paragraph affects the powers to pass by-laws under paragraph 62*d* of subsection 1 of section 354, paragraph 1 of section 382, and paragraphs 16 and 17 of section 383.

s. 382,  
par. 1 (*a*, *b*),  
re-enacted

- 17.** Clauses *a* and *b* of paragraph 1 of section 382 of the said Act are repealed and the following substituted therefor:

- (*a*) Nothing in this paragraph affects the powers conferred by paragraph 62*d* of subsection 1 of section 354.

s. 386,  
pars. 1, 2,  
repealed

- 18.** Paragraphs 1 and 2 of section 386 of the said Act are repealed.

s. 389*g*,  
re-enacted

- 19.** Section 389*g* of the said Act, as enacted by the Statutes of Ontario, 1979, chapter 101, section 9, is repealed and the following substituted therefor:

Conservation  
authorities

389*g*.—(1) Notwithstanding sections 389*a* to 389*f*, a conservation authority is responsible for establishing and paying the remuneration and expenses of the members of the conservation authority appointed by its participating municipalities, unless the conservation authority on or before the 15th day of November in the year preceding the year for which such resolution applies passes a resolution transferring the responsibility for establishing remuneration and expenses to the participating municipalities, in which case the remuneration and expenses shall be established and paid in accordance with section 389*f*.

Effective  
date of  
resolution

(2) A resolution passed by a conservation authority under subsection 1 in any year shall take effect on the 1st day of January in the immediately following year.

s. 443 (4),  
re-enacted

- 20.** Subsection 4 of section 443 of the said Act is repealed and the following substituted therefor:

Approval  
of Governor  
General to  
by-law

(4) The powers conferred by subsection 1 shall not be exercised without the consent of the Governor General in Council in respect of,

- (a) any street, lane or thoroughfare made or laid out by Her Majesty's Ordinance or the Provincial Secretary of State in whom the Ordinance estates became vested under the Act of the late Province of Canada passed in the 19th year of the reign of Her Late Majesty Queen Victoria, Chapter 45, or under Chapter 24 of the Consolidated Statutes of Canada, or made or laid out by the Government of Canada;
- (b) any land owned by the Crown in right of Canada; or
- (c) any bridge, wharf, dock, quay or other work vested in the Crown in right of Canada,

and the consent of the Governor General in Council shall be recited in the by-law, but the by-law shall not be quashed or open to question because of the omission to recite it if the consent has been given.

- 21.** Section 452 of the said Act is repealed and the following substituted therefor: s. 452,  
re-enacted

452. The council of a municipality in unorganized territory may pass by-laws for opening, widening, maintaining or improving any highway or constructing, maintaining or improving any bridge in an adjoining municipality or unorganized township or in adjoining unsurveyed territory. Opening or  
improving,  
etc.,  
highways in  
unorganized  
territories

- 22.** Paragraph 4 of section 453 of the said Act is repealed and the following substituted therefor: s. 453,  
par. 4,  
re-enacted

4. For setting apart and laying out so much of any highway as the council may consider expedient for the purposes of a bicycle path or foot path and for the regulation of the use of such a bicycle path or foot path. Bicycle  
paths

- 23.** Subsection 7 of section 457 of the said Act is repealed. s. 457 (7),  
repealed

- 24.** Paragraph 7 of section 460 of the said Act is repealed and the following substituted therefor: s. 460,  
par. 7,  
re-enacted

7. To provide for placing, regulating and maintaining upon the public highways traffic signs for the purposes of guiding and directing traffic. Signs

- 25.** Section 466 of the said Act, as amended by the Statutes of Ontario, 1972, chapter 124, section 17, is repealed and the following substituted therefor: s. 466,  
re-enacted



Power to  
impose  
fines

466. By-laws may be passed by the councils of all municipalities and by boards of commissioners of police for imposing fines of not more than \$2,000, exclusive of costs, upon every person who contravenes any by-law of the council or of the board passed under the authority of this Act.

s. 636a,  
amended

**26.**—(1) Section 636a of the said Act, as enacted by the Statutes of Ontario, 1972, chapter 124, section 25 and amended by 1973, chapter 175, section 9, 1974, chapter 136, section 25, 1979, chapter 50, section 2 and 1979, chapter 101, section 11, is further amended by adding thereto the following subsections:

Restoration  
of taxes  
to tax roll

(6a) Where a council or the Assessment Review Court has made a decision in any year under subsection 6 to cancel, refund or reduce taxes for that year in respect of a building mentioned in clause *c* of subsection 1 and where subsequently the council or the Assessment Review Court, as the case may be, is satisfied that the building has been reconstructed or repaired and has been returned to use prior to the end of that year, the council or the Assessment Review Court, as the case may be, may direct that such portion as it considers appropriate of the tax reduction or of the taxes that were cancelled or refunded be restored to the collector's roll as taxes owing for that year and such a direction may be made at any time up to the 28th day of February of the immediately following year.

Right to  
hearing

(6b) No direction shall be made under subsection 6a in respect of taxes on any building without first affording an opportunity to be heard to any person who, according to the collector's roll, would be chargeable for the taxes if a portion thereof were restored to the collector's roll.

Appeals

(6c) The provisions of this section respecting an appeal of a decision made under subsection 6 apply with necessary modifications to a direction made under subsection 6a.

Payment

(6d) Taxes restored to a collector's roll for any year pursuant to a direction made under subsection 6a shall, upon notice to the person chargeable therewith, become payable as part of the next installment of taxes payable by that person in that year following the giving of a notice or demand therefor and where no installment remains payable in the year following the giving of the notice or demand or where the notice or demand is given in the next following year, the taxes mentioned in the notice shall become due and payable or in arrears, as the case may be, on the fifteenth day following the giving of the notice or demand, and where the notice or demand was given in the next following year interest added under section 553 shall accrue from the date that the taxes became due and payable, or in arrears, and not from the 31st day of December of the year in which the taxes were levied.

- (2) Subsection 7 of the said section 636*a*, as amended by the Statutes of Ontario, 1973, chapter 175, section 9, is further amended by striking out “31st day of March” in the second line and inserting in lieu thereof “30th day of April”. s. 636*a* (7). amended
- (3) Subsection 7*a* of the said section 636*a*, as enacted by the Statutes of Ontario, 1973, chapter 175, section 9, is amended by striking out “31st day of March” in the third and fourth lines and inserting in lieu thereof “30th day of April”. s. 636*a* (7*a*). amended
- (4) Subsection 9 of the said section 636*a* is amended by striking out “31st day of March” in the seventh line and inserting in lieu thereof “30th day of April”. s. 636*a*(9). amended

**27.**—(1) This Act, except paragraph 8 of section 12, comes into force on the day it receives Royal Assent. Commence-  
ment

- (2) Paragraph 8 of section 12 comes into force on the 1st day of January, 1983. Idem

**28.** The short title of this Act is *The Municipal Amendment Act, 1980*. Short title







An Act to amend  
The Municipal Act

*1st Reading*

November 14th, 1980

*2nd Reading*

December 11th, 1980

*3rd Reading*

December 12th, 1980

THE HON. T. L. WELLS  
Minister of Intergovernmental Affairs

4TH SESSION, 31ST LEGISLATURE, ONTARIO  
29 ELIZABETH II, 1980

*Legislative Assembly*

An Act to amend The Residential Tenancies Act, 1979

MR. PHILIP



TORONTO

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#### EXPLANATORY NOTE

The purpose of the Bill is to authorize the Residential Tenancy Commission to order payment of a tenant's costs where the Commission has determined that the tenant paid rent in excess of the amount permitted by the Act.

BILL 194

1980

**An Act to amend  
The Residential Tenancies Act, 1979**

**H**ER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. Subsection 2 of section 129 of *The Residential Tenancies Act, 1979*, being chapter 78, is repealed and the following substituted therefor: s. 129 (2),  
re-enacted

(2) Where, on the application of the tenant, the Commission Remedy determines that the tenant has paid an amount of rent that is in excess of that permitted by this Part, the Commission shall declare the rent that may lawfully be charged and shall order that the landlord pay to the tenant,

(a) the amount of the excess rent paid to the landlord; and

(b) the costs incurred by the tenant in bringing the application, including the tenant's loss of wages, if any, for appearing at a hearing, interest on the amount of the excess rent, and any other cost the Commission considers appropriate to be repaid to the tenant.

2. This Act comes into force on the day it receives Royal Assent. Commence-  
ment
3. The short title of this Act is *The Residential Tenancies Amendment Act, 1980*. Short title

BILL 194

An Act to amend  
The Residential Tenancies Act, 1979

*1st Reading*

November 14th, 1980

*2nd Reading*

*3rd Reading*

MR. PHILIP

*(Private Member's Bill)*

2  
17 BILL 195

Private Member's Bill

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4TH SESSION, 31ST LEGISLATURE, ONTARIO  
29 ELIZABETH II, 1980

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*Legislative Assembly*

An Act to amend The Residential Tenancies Act, 1979

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MR. PHILIP

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TORONTO

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#### EXPLANATORY NOTE

The purpose of the Bill is to require a landlord, upon the request of a tenant, to file receipts for expenditures made by the landlord with the Residential Tenancy Commission.

BILL 195

1980

**An Act to amend  
The Residential Tenancies Act, 1979**

**H**ER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

- 1.** Section 126 of *The Residential Tenancies Act, 1979*, being chapter 78, is amended by adding thereto the following subsections: s. 126,  
amended

(5) Upon the request of a tenant, a landlord shall include Receipts receipts for each expenditure over \$100 in the material filed with the Commission under subsection 4.

(6) Where a landlord is required to file receipts with the Com- Where no mission, the landlord may include expenditures for which the receipts receipts for ex- landlord has not filed receipts in his operating costs, financing penditures costs and capital expenditures but the unreceipted expenditures shall not exceed 5 per cent of the total of such costs and capital expenditures.

- 2.** This Act comes into force on the day it receives Royal Assent. Commence-  
ment
- 3.** The short title of this Act is *The Residential Tenancies Amendment Act, 1980*. Short title

An Act to amend  
The Residential Tenancies Act, 1979

*1st Reading*

November 14th, 1980

*2nd Reading*

*3rd Reading*

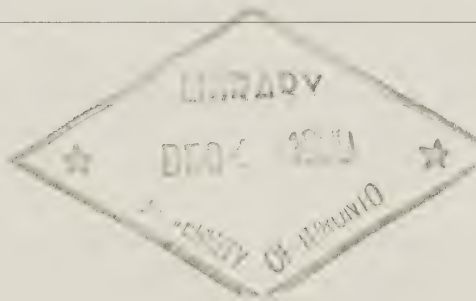
MR. PHILIP

*(Private Member's Bill)*

4TH SESSION, 31ST LEGISLATURE, ONTARIO  
29 ELIZABETH II, 1980 *Legislative Assembly*

**An Act to provide for a Moratorium on  
Mortgage Payments for Persons affected  
by an Interruption of Employment**

MR. MAKARCHUK



TORONTO

PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

#### EXPLANATORY NOTE

The purpose of the Bill is to provide for a moratorium on the payment of principal and interest amounts secured by mortgages on the residences of persons who suffer an interruption of employment arising from a legal strike, lock-out or lay-off. The Bill also protects a mortgagor from mortgage default proceedings during the moratorium period.

BILL 196

1980

## An Act to provide for a Moratorium on Mortgage Payments for Persons affected by an Interruption of Employment

**H**ER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

**1.** In this Act, “residence” means the residence in which a person ordinarily and actually resides. Interpre-  
tation

**2.** Where the employment of a mortgagor is interrupted by reason of a legal strike, lock-out or lay-off, the mortgagor may defer the payment of the principal money secured by the mortgage on the mortgagor’s residence and the interest thereon, Mortgage  
payment  
deferral

- (a) in the case of a strike or lock-out, for the period of the interrupted employment and a period of three months following the resumption of employment; or
- (b) in the case of a lay-off, for the period of the lay-off and a period of three months following the resumption of employment or for a period of six months following the day on which the lay-off commences, whichever occurs first.

**3.** Where the employment of a mortgagor is interrupted by reason of a legal strike, lock-out or lay-off, the mortgagee shall not bring any proceedings in respect of a default by the mortgagor in making payments under a mortgage of a mortgagor’s residence, Moratorium  
on mortgage  
default  
proceedings

- (a) in the case of a strike or lock-out, for the period of the interrupted employment and a period of three months following the resumption of employment; or
- (b) in the case of a lay-off, for the period of the lay-off and a period of three months following the resumption of employment or for a period of six months following the day on which the lay-off commences, whichever occurs first.

Notice

**4.** Sections 2 and 3 do not apply until the mortgagor gives notice of the interrupted employment, in writing, to the mortgagee and, upon the resumption of employment, the mortgagor shall give the mortgagee notice forthwith.

Commence-  
ment

**5.** This Act comes into force on the day it receives Royal Assent.

Short title

**6.** The short title of this Act is *The Mortgage Payments Moratorium Act, 1980*.









## BILL 196

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An Act to provide for a Moratorium  
on Mortgage Payments for Persons  
affected by an Interruption of  
Employment

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### *1st Reading*

November 17th, 1980

### *2nd Reading*

### *3rd Reading*

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MR. MAKARCHUK

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*(Private Member's Bill)*

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4TH SESSION, 31ST LEGISLATURE, ONTARIO  
29 ELIZABETH II, 1980

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An Act to facilitate the Negotiation and  
Resolution of Municipal Boundary and Boundary-related Issues

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THE HON. T. L. WELLS  
Minister of Intergovernmental Affairs

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TORONTO

PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO



## EXPLANATORY NOTES

The Bill provides a method by which municipalities may, by agreement, resolve annexation or amalgamation problems or resolve intermunicipal problems arising in respect of boundary-related issues.

The following are among the principal features of the Bill:

1. A municipality that seeks the resolution of an intermunicipal boundary issue or of a boundary-related issue may apply to the Minister of Intergovernmental Affairs to initiate the procedures provided for in the Bill (section 2).
2. Upon receiving an application, the Minister will designate a fact finder who will determine what issues are raised by the application, determine the party municipalities (those that have a substantial interest in the matter) and report to the Minister and the party municipalities thereon (sections 4 and 5).
3. Where the fact finder's report indicates agreement has been reached by the party municipalities, the Minister may recommend to the House legislative measures to implement the agreement or he may, where the subject-matter of the agreement falls within section 14 of the Bill, recommend to the Lieutenant Governor in Council the making of an order under that section to implement the agreement. If agreement has not been reached, the Minister may direct the party municipalities to appoint members to a negotiating committee in order to attempt to reach agreement (section 6).
4. Where a negotiating committee has been established, the Minister will appoint a chief negotiator (section 7).
5. The chief negotiator acts as chairman of the committee and will report in due course to the Minister and to the party municipalities the extent to which the committee has or has not reached agreement on the issues before it (section 11).
6. Upon receipt of a report of a chief negotiator, each party municipality is required to hold one or more information meetings to inform the public of the contents of the report and to invite and consider comments of the public on the report, following which the council of the municipality is to inform the Minister of its opinion on each of the issues dealt with in the report (section 12).
7. After the expiration of the time stipulated in section 12, the Minister may recommend the making of an order under section 14, recommend legislative measures to the House, refer an issue or issues back for further negotiation, authorize the applicant municipality to make application to the Municipal Board under section 11 or section 14 of *The Municipal Act* or take such other action as the Minister considers appropriate in the circumstances (section 13).
8. Upon the recommendation of the Minister, the Lieutenant Governor in Council may, by order, give effect to agreements reached by party municipalities; such an order may provide for an annexation or amalgamation and matters consequential thereon or for the resolution of an intermunicipal boundary-related issue (section 14).



9. Public notice of the intention to make an order under section 14 will be given and an opportunity afforded to object thereto; an order will not be made where objections are received until one or more of the steps set out in section 16 are taken (sections 15 and 16).
10. Complementary amendments are made to sections of *The Municipal Act* dealing with an application to the Municipal Board for the erection of a municipality to city status and with applications to the Board for annexation or amalgamation; generally, such applications will require the authorization of the Minister given where the procedures under this Bill have failed to result in agreement amongst the party municipalities (section 20).
11. Other provisions of the Bill provide for the constitution of Issues Review Panels to whom questions may be submitted by the Minister or negotiating committees for advice, the delegation by the Minister of certain of his powers to the Deputy Minister or other officer of the Ministry of Intergovernmental Affairs the contributing by party municipalities towards costs incurred by the Province as a result of an application and financial aid by the Province to party municipalities toward the costs of studies incurred by them in connection with an application.

BILL 197

1980

## An Act to facilitate the Negotiation and Resolution of Municipal Boundary and Boundary-related Issues

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

**1.** In this Act,

Interpre-  
tation

- (a) "local board" means a local board as defined in *The Municipal Affairs Act*; R.S.O. 1970,  
c. 118
- (b) "Minister" means the Minister of Intergovernmental Affairs;
- (c) "Municipal Board" means the Ontario Municipal Board;
- (d) "municipality" includes a metropolitan, regional or district municipality and the County of Oxford;
- (e) "party municipality" means a municipality having a substantial interest in an issue raised by an application under section 2 as determined by the fact finder or the chief negotiator.

**2.** The council of a municipality that desires the resolution of an intermunicipal boundary issue or an intermunicipal boundary-related issue may by by-law apply to the Minister for the initiation of the procedures provided for in this Act. Application  
to  
Minister

**3.—(1)** Section 2 does not apply to any metropolitan, regional or district municipality or the County of Oxford or to any area municipality in a metropolitan, regional or district municipality or the County of Oxford, except in respect of an intermunicipal boundary issue or the resolution of an intermunicipal boundary-related issue that is, in the opinion of the Minister, of a minor nature. Where s. 2  
does not  
apply

Issues to  
which Act  
does not  
apply

(2) Where a fact finder or a chief negotiator determines that a metropolitan, regional or district municipality or the County of Oxford or an area municipality thereof is a party municipality in respect of any issue raised by an application made under section 2 that is not in the opinion of the Minister of a minor nature, the provisions of this Act do not apply to that issue.

Designation  
of fact  
finder

4. Following receipt of an application under section 2, the Minister shall designate a person to serve as fact finder in respect of the application.

Powers and  
duties of  
fact finder

5.—(1) The fact finder shall determine and inquire into the issues raised by the application, determine the party municipalities and submit to the Minister and to the clerk of each party municipality a report setting out the issues, the party municipalities and such other matters as the fact finder considers appropriate.

Information

(2) A party municipality shall make available to the fact finder all information relevant to the issues raised that the fact finder requires.

Powers of  
Minister

6.—(1) Following the receipt of a report under section 5, the Minister may,

- (a) recommend to the Assembly such legislative measures as he considers appropriate to implement any agreement reached by the party municipalities; or
- (b) recommend to the Lieutenant Governor in Council the making of an order under section 14 to implement any agreement reached by the party municipalities; or
- (c) where agreement has not been reached by the party municipalities, direct that the council of each party municipality appoint, within twenty-eight days or such longer period as he may stipulate, such number of persons, members of council at the time of their appointment, as he considers appropriate to negotiate and recommend agreements on behalf of the municipality in respect of any intermunicipal boundary issue or boundary-related issue; or
- (d) take such other action as the Minister considers appropriate.

Failure to  
appoint  
members to  
negotiating  
committee

(2) Where a party municipality fails to appoint members to the negotiating committee within the time stipulated by the Minister in a direction under clause c of subsection 1, the Minister may appoint from among the members of the council of the muni-

pality the requisite number of persons to be members of the committee.

(3) Where a council reappoints or replaces a member of the negotiating committee, the reappointment or replacement is subject to the approval of the Minister.

Approval of Minister to reappointment, etc.

7. Following the appointment of members of the negotiating committee under clause *c* of subsection 1 or subsection 2 of section 6, the Minister shall appoint a person to serve as chief negotiator.

Appointment of chief negotiator

8.—(1) The chief negotiator and the persons appointed under clause *c* of subsection 1 or subsection 2 of section 6 jointly constitute the negotiating committee.

Constitution of negotiating committee

(2) The council of a party municipality and each negotiator shall act responsibly and in good faith to assist and facilitate negotiation and shall make every reasonable effort to reach an agreement on the issues raised by the application.

Duties of negotiators, etc.

9.—(1) The Minister may, at any time, constitute one or more Issues Review Panels composed of such three persons as the Minister designates.

Constitution of Issues Review Panel

(2) Where a negotiating committee has been constituted under section 8, the Minister shall constitute an Issues Review Panel, composed of such three persons as the Minister designates, in respect of that committee.

Idem

10.—(1) The Minister may, at any time, submit to an Issues Review Panel constituted under subsection 1 of section 9 a question for the advice of the Panel.

Submission of question to Panel

(2) The Minister, a chief negotiator or a negotiating committee may at any time submit to an Issues Review Panel constituted under subsection 2 of section 9 in respect of that negotiating committee a question for the advice of the Panel.

Idem

11.—(1) The chief negotiator shall,

Powers and duties of chief negotiator

- (a) act as chairman of the negotiating committee;
- (b) prepare a negotiation timetable in the event that the negotiating committee is unable to agree on a timetable;
- (c) prepare and submit to the Minister and to the clerk of each party municipality one or more reports as the chief negotiator considers appropriate setting out,

- (i) the party municipalities in respect of each issue, if different from those determined by the fact finder under subsection 1 of section 5,
- (ii) the extent of agreement or disagreement within the negotiating committee on the issues negotiated,
- (iii) any agreement which the negotiating committee wishes to recommend,
- (iv) the chief negotiator's recommendations to the Minister with respect to the further consideration of the application, and
- (v) such other matters as the chief negotiator considers appropriate.

Appointment  
of members to  
negotiating  
committee by  
new party  
municipality

(2) Where the chief negotiator in a report sets out a municipality that is not represented on the negotiating committee as a party municipality, the council of that municipality shall appoint members to the negotiating committee in accordance with the direction of the Minister and subsections 2 and 3 of section 6 apply with necessary modifications.

Holding of  
meetings

**12.—**(1) Upon receipt of a report of a chief negotiator under clause *c* of subsection 1 of section 11 that sets out the matters mentioned in subclauses ii and iii of that clause, the council of each party municipality shall,

- (a) hold one or more information meetings, which may be held jointly with any other party municipality, for the purpose of informing the public of the contents of the report; and
- (b) invite and consider at a meeting of council submissions and comments of the public in respect of the contents of the report; and
- (c) not later than ninety days following the receipt of the report of the chief negotiator, or such longer period as the Minister stipulates, inform the Minister in writing of the opinion of the council on each issue in respect of which the municipality is a party municipality.

Notice of  
meetings

(2) Public notice of an information meeting required under clause *a* of subsection 1 and of a meeting required under clause *b* of subsection 1 shall be given at least fifteen days in advance of each meeting, and the meeting required under clause *b* of subsection 1 shall be held not sooner than fifteen days after the last information meeting required under clause *a* of subsection 1.



**13.** After the expiration of the time for informing the Minister of the opinions of the councils of the party municipalities under section 12, the Minister may, Powers of Minister

- (a) where agreement has been reached by the party municipalities, recommend to the Lieutenant Governor in Council the making of an order under section 14;
- (b) refer any issue not agreed upon to the negotiating committee or to the party municipalities for further consideration;
- (c) refer any issue not agreed upon to an Issues Review Panel for the advice of the Panel;
- (d) terminate further consideration of the application;
- (e) authorize the applicant municipality to make application to the Municipal Board under section 11 or 14 of *The Municipal Act*; R.S.O. 1970,  
c. 284
- (f) recommend to the Assembly legislation in respect of any of the issues raised by the application; or
- (g) take such other action as the Minister considers appropriate.

**14.** Subject to sections 15 and 16 but notwithstanding the provisions of any other general or special Act, the Lieutenant Governor in Council may by order, upon the recommendation of the Minister, give effect to agreements of party municipalities in respect of the resolution of an intermunicipal boundary issue or an intermunicipal boundary-related issue, and any such order may provide for one or more of the following: Order of Lieutenant Governor in Council

1. The annexation of the whole or any part or parts of a party municipality to another party municipality.
2. The amalgamation of a party municipality with one or more party municipalities.
3. A requirement for joint approval by party municipalities of any subsequent application for an annexation or amalgamation.
4. The adoption by any party municipality of an official plan or amendments thereto or the passage of a restricted area by-law or amendments thereto, provided that the plan or amendments thereto adopted or the by-law or

amending by-laws passed are subject to the approval of the Minister of Housing or of the Municipal Board, as the case may be.

R.S.O. 1970,  
c. 349

5. A requirement for joint approval of any subsequent amendments to official plans or restricted area by-laws of any party municipality passed under *The Planning Act*.
6. The level or apportionment of expenditures incurred in respect of any joint municipal service or any service provided by a joint local board.
7. Special provision for the assessment of real property and the preparation of assessment rolls in respect of annexed or amalgamated areas.
8. The provision of any service by one party municipality or local board thereof to any other party municipality or local board thereof and the rates, prices and charges in respect of the service.
9. The continuation or otherwise of by-laws in annexed or amalgamated areas.
10. The requirement for and the methods of arbitration with respect to any issue.
11. The adjustment of assets and liabilities as between any party municipalities or local boards thereof.
12. The creation, amalgamation and dissolution of any local boards of party municipalities and provision for the adjustment of assets and liabilities of such local boards.
13. The establishment of special areas within any party municipality that are to be subject to special rates and charges.
14. The payment of money or the transfer of real property from any party municipality to any other party municipality.
15. The composition and term of office of the council of any party municipality or local board thereof.
16. The division or redivision of any party municipality into wards.
17. The holding of elections in part or all of any party municipality, the qualifications of electors, the prepara-



tion of polling lists, the fixing of nomination day, the fixing of days for first meetings of councils and local boards and for such other matters as the Lieutenant Governor in Council considers necessary to provide for the effective administration of any party municipality or of any local board thereof.

18. The erection of any party municipality to a higher status.
19. The authority for any party municipality to use, acquire or service land located in another party municipality.
20. The deeming of agreements in respect of the matters mentioned in paragraphs 6, 8 and 14 to be matters within the meaning of subsection 2 of section 293 of *The Municipal Act*. R.S.O. 1970,  
c. 284
21. The level at which payment may be made to a party municipality by any ministry under any program of that ministry.
22. The transitional protection of employees of party municipalities and local boards thereof.
23. The exercise, or the withholding of the exercise, by any party municipality of its powers under any general or special Act.

**15.—**(1) No order shall be made under section 14 until twenty-eight days after the Clerk of the Executive Council has given public notice in such manner as the Lieutenant Governor in Council considers appropriate of the intention to make the order. Notice of  
intention  
to make  
order

(2) Any person may file notice of objection to the proposed issuance of an order with the Clerk of the Executive Council within the period of twenty-eight days, and the objection shall be in writing and give reasons therefor. Filing of  
objection

**16.** Where objections are received under subsection 2 of section 15, no order shall be made until the Lieutenant Governor in Council has done one or more of the following: Where  
objections  
received

1. Referred any matter to which objection has been made to the party municipalities for negotiation to determine whether the intermunicipal agreement may be adjusted to meet the objection or objections.
2. Sought the advice of an Issues Review Panel with respect to one or more of the objections.

3. Appointed one or more hearing officers to hear any objections and, following a hearing under rules of procedure adopted by the hearing officer or officers, to make recommendations thereon.
4. Referred one or more objections to the Municipal Board to hear such objection or objections, and after a hearing, to make recommendations thereon.
5. Decided that the objection or objections is or are outweighed by the public interest.

Financial  
assistance

**17.—**(1) The Lieutenant Governor in Council may, out of the moneys appropriated therefor by the Legislature, provide financial assistance to any party municipality in respect of the costs incurred by the municipality in carrying out studies related to the issue or issues raised by an application.

Contribution  
to costs

(2) The Minister may require that the party municipalities contribute to the costs incurred by the Province as the result of an application under section 2, including the costs of studies undertaken, in such proportion as the Minister considers appropriate.

General

**18.** The Lieutenant Governor in Council, upon the recommendation of the Minister, may authorize all such acts or things not specifically provided for in this Act that in the Minister's opinion are necessary or advisable to carry out effectively the purposes or intent of this Act.

Delegation

**19.** Any power or duty conferred on the Minister by section 4, 7, 9 or 10 may be delegated by him in writing, subject to such limitations, conditions and requirements as the Minister may set out in his delegation, to the Deputy Minister of Intergovernmental Affairs or to any officer of the Ministry of Intergovernmental Affairs who may act for him in his place and stead, and when the Deputy Minister of Intergovernmental Affairs or such officer acts in the place and stead of the Minister, it shall be presumed conclusively that he acted in accordance with such delegation.

R.S.O. 1970,  
c. 284,  
s. 11 (5),  
re-enacted

**20.—**(1) Subsection 5 of section 11 of *The Municipal Act*, being chapter 284 of the Revised Statutes of Ontario, 1970, is repealed and the following substituted therefor:

Erection of  
village,  
town or  
township into  
a city  
1980, c. . . .

(5) Upon the application, authorized by the Minister under *The Municipal Boundary Negotiations Act, 1980*,

(a) of a village or town located in a county and having a population of not less than 15,000; or

(b) of a township located in a county and having a population of not less than 25,000,

the Municipal Board may erect the village, town or township into a city.

(5a) Upon the application,

Idem

(a) of a village or town not located in a county and having a population of not less than 15,000; or

(b) of a township not located in a county and having a population of not less than 25,000,

the Municipal Board may erect the village, town or township into a city.

(2) Subsections 7 and 8 of the said section 11 are repealed.

s. 11 (7, 8),  
repealed

(3) Subsection 2 of section 14 of the said Act, as amended by the Statutes of Ontario, 1971, chapter 98, section 4, is repealed and the following substituted therefor:

s. 14 (2),  
re-enacted

(2) Upon the application of any municipality authorized by the by-law of the council thereof and authorized by the Minister under *The Municipal Boundary Negotiations Act, 1980*, or upon the application of the Minister authorized by the Lieutenant Governor in Council, the Municipal Board may by order on such terms as it may consider expedient,

Amalgamations  
and  
annexations  
1980, c. ...

(a) amalgamate the municipality with any other municipality or municipalities;

(b) annex the whole or any part or parts of the municipality or municipalities; or

(c) annex the whole or any part or parts of any other municipality or municipalities to the municipality,

and any such order may amalgamate or annex a greater or smaller area or areas than the area or areas specified in the application, whether or not the municipality or municipalities in which the area or areas is or are located, is or are specified in the application.

(2a) Upon the application of any municipality or upon the application of the Minister authorized by the Lieutenant Governor in Council or upon the application of at least twenty-five inhabitants, being British subjects of the full age of eighteen years, the Municipal Board may by order on such terms as it may consider expedient, annex any locality that does not form part of any municipality to the municipality and any such order may annex a greater or smaller area or areas than the area or areas specified in the application, whether or not the locality in which

Annexation  
of locality

the area or areas is or are located is or are specified in the application.

s. 14 (3),  
amended

(4) Subsection 3 of the said section 14 is amended by inserting after "2" in the second line "or 2a".

s. 14 (4),  
amended

(5) Subsection 4 of the said section 14 is amended by inserting after "2" in the second line "or 2a".

Commence-  
ment

**21.** This Act comes into force on a day to be named by proclamation of the Lieutenant Governor.

Short title

**22.** The short title of this Act is *The Municipal Boundary Negotiations Act, 1980*.



An Act to facilitate the  
Negotiation and Resolution  
of Municipal Boundary and  
Boundary-related Issues

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*1st Reading*

November 18th, 1980

*2nd Reading*

*3rd Reading*

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THE HON. T. L. WELLS  
Minister of Intergovernmental Affairs

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(*Government Bill*)

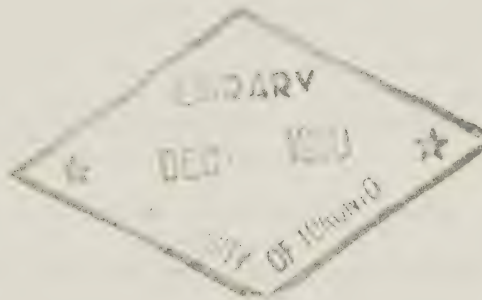
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4TH SESSION, 31ST LEGISLATURE, <sup>1</sup>ONTARIO  
29 ELIZABETH II, 1980

*Legislative Assembly*

An Act to amend The Residential Tenancies Act, 1979

MR. PHILIP



TORONTO

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#### EXPLANATORY NOTE

The purpose of the Bill is to provide a procedure for the Residential Tenancy Commission to review rent increases allowed by the Commission for the purpose of financing major repairs by a landlord. If the Commission determines that a landlord has not carried out the repairs or that the cost of repairs is less than the cost forecast by the landlord, the Commission may order a reduction of the rent increase.

BILL 198

1980

## An Act to amend The Residential Tenancies Act, 1979

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. *The Residential Tenancies Act, 1979*, being chapter 78, is amended by adding thereto the following section: s. 131a,  
enacted

131a.—(1) Where, in an application under section 126, a landlord indicates that one of the reasons for an intended rent increase is that the landlord wishes to make major repairs to the residential complex and the Commission allows an increase for this purpose, the Commission may conduct a hearing, a reasonable time after the increased rent takes effect, to ensure that the repairs have been carried out. Major  
repairs

(2) Where the Commission, after a hearing under subsection 1, determines that major repairs proposed by the landlord have not been carried out or that the cost of repairs is less than the cost forecast by the landlord, the Commission may reduce the amount of the rent increase and may order the landlord to reimburse the tenant for the amount of any excess rent paid to the landlord from the date that the previous rent increase took effect. Order  
reducing  
rent  
increase

2. This Act comes into force on the day it receives Royal Assent. Commence-  
ment
3. The short title of this Act is *The Residential Tenancies Amendment Act, 1980*. Short title

# BILL 198

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An Act to amend  
The Residential Tenancies Act, 1979

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*1st Reading*

November 18th, 1980

*2nd Reading*

*3rd Reading*

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MR. PHILIP

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*(Private Member's Bill)*

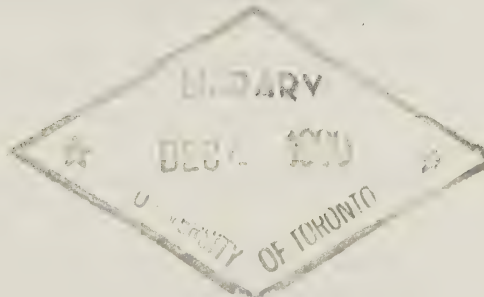
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4TH SESSION, 31ST LEGISLATURE, ONTARIO  
29 ELIZABETH II, 1980

*Legislature Assembly*

An Act to amend  
The Ontario Unconditional Grants Act, 1975

THE HON. T. L. WELLS  
Minister of Intergovernmental Affairs



## EXPLANATORY NOTES

SECTION 1. Subsection 2 of section 6 now reads as follows:

(2) *Where the Minister is satisfied that property taxes in a municipality may be unduly increased by reason of a substantial loss of revenue that had previously been available to a municipality as a result of,*

*(a) a change in legislation;*

*(b) an unforeseen commitment imposed on a municipality; or*

*(c) circumstances beyond the control of the municipal council and of an unusual or exceptional nature,*

*the Minister may, by order, make a grant or a loan to such municipality under such terms and conditions as the Minister considers necessary in the circumstances.*

The proposed re-enactment of section 6 (2) expands the Minister's powers to make grants and loans in the circumstances set out in the said subsection.

SECTION 2. The proposed section 6a will permit the Minister to provide, by order, for transitional rates in lower tier municipalities that are affected by an annexation or amalgamation.

BILL 199

1980

## An Act to amend The Ontario Unconditional Grants Act, 1975

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. Subsection 2 of section 6 of *The Ontario Unconditional Grants Act, 1975*, being chapter 7, is repealed and the following substituted therefor: s. 6 (2),  
re-enacted

(2) Where the Minister is of the opinion that property taxes in a municipality are unduly high or have been or may be unduly increased because of, Minister may  
make grants  
or loans

- (a) a substantial loss of revenue previously available to a municipality;
- (b) a change in legislation;
- (c) an unforeseen commitment imposed on a municipality;
- (d) expenditures or anticipated expenditures related to an amalgamation or annexation or to a change in the responsibility for the provision of services; or
- (e) circumstances beyond the control of a municipal council and of an unusual or special nature,

the Minister may, by order, make a grant or a loan to the municipality under such terms and conditions as the Minister considers necessary in the circumstances.

2. The said Act is amended by adding thereto the following section: s. 6a,  
enacted

6a. Notwithstanding any provision in this or any other Act, where a lower tier municipality is affected by an annexation or amalgamation, the Minister may provide from time to time by order that, in the year or years and in the manner specified in the Transitional  
rates

order, the council of the lower tier municipality shall levy, on the whole of the assessment for real property and business assessment according to the last revised assessment role in any area of the municipality specified in the order, rates of taxation for general purposes which are different from the rates which would have been levied for such purposes but for the provisions of this section.

s. 8,  
repealed

3. Section 8 of the said Act, as re-enacted by the Statutes of Ontario, 1977, chapter 7, section 5, is repealed.

Commence-  
ment

4. This Act comes into force on the day it receives Royal Assent.

Short title

5. The short title of this Act is *The Ontario Unconditional Grants Amendment Act, 1980*.



SECTION 3. The repeal of section 8 of the Act is complementary to the proposed enactment of clause *d* of subsection 2 of section 6 of the Act as set out in section 1 of the Bill. Section 8 of the Act now reads as follows:

*8. The Lieutenant Governor in Council may, to minimize changes in the incidence of local taxation and to promote the development of services on a regional basis, by order, upon such terms and conditions as he considers appropriate, provide for payments to be made,*

- (a) to any regional municipality or lower tier municipality affected by an amalgamation, annexation or change in the responsibility for the provision of services, for a period not exceeding five years after the effective date of such amalgamation, annexation or change in responsibility; and*
- (b) to the Township of Goulbourn, the Township of Rideau, and the Township of West Carleton for a period not exceeding five years from the 1st day of January, 1974.*

At present, payments may be made under section 8 only to regional municipalities and lower tier municipalities for a period not exceeding five years. The proposed clause *d* of subsection 2 of section 6 of the Act will authorize payments to all municipalities to minimize changes in local taxation where an amalgamation, annexation or change in responsibility for the supply of services occurs.





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# BILL 199

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An Act to amend  
The Ontario Unconditional Grants Act, 1975

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*1st Reading*

November 21st, 1980

*2nd Reading*

*3rd Reading*

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THE HON. T. L. WELLS  
Minister of Intergovernmental Affairs

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*(Government Bill)*

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BILL 199

1980

## An Act to amend The Ontario Unconditional Grants Act, 1975

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. Subsection 2 of section 6 of *The Ontario Unconditional Grants Act, 1975*, being chapter 7, is repealed and the following substituted therefor: s. 6 (2),  
re-enacted

(2) Where the Minister is of the opinion that property taxes in a municipality are unduly high or have been or may be unduly increased because of, Minister may  
make grants  
or loans

- (a) a substantial loss of revenue previously available to a municipality;
- (b) a change in legislation;
- (c) an unforeseen commitment imposed on a municipality;
- (d) expenditures or anticipated expenditures related to an amalgamation or annexation or to a change in the responsibility for the provision of services; or
- (e) circumstances beyond the control of a municipal council and of an unusual or special nature,

the Minister may, by order, make a grant or a loan to the municipality under such terms and conditions as the Minister considers necessary in the circumstances.

2. The said Act is amended by adding thereto the following section: s. 6a,  
enacted

6a. Notwithstanding any provision in this or any other Act, where a lower tier municipality is affected by an annexation or amalgamation, the Minister may provide from time to time by order that, in the year or years and in the manner specified in the Transitional  
rates



order, the council of the lower tier municipality shall levy, on the whole of the assessment for real property and business assessment according to the last revised assessment role in any area of the municipality specified in the order, rates of taxation for general purposes which are different from the rates which would have been levied for such purposes but for the provisions of this section.

s. 8,  
repealed

- 3.** Section 8 of the said Act, as re-enacted by the Statutes of Ontario, 1977, chapter 7, section 5, is repealed.

Commence-  
ment

- 4.** This Act comes into force on the day it receives Royal Assent.

Short title

- 5.** The short title of this Act is *The Ontario Unconditional Grants Amendment Act, 1980*.







# BILL 199

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An Act to amend  
The Ontario Unconditional Grants Act, 1975

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*1st Reading*

November 21st, 1980

*2nd Reading*

December 2nd, 1980

*3rd Reading*

December 10th, 1980

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THE HON. T. L. WELLS  
Minister of Intergovernmental Affairs

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4TH SESSION, 31ST LEGISLATURE, ONTARIO  
29 ELIZABETH II, 1980

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*Legislative Assembly*

An Act to amend  
The Regional Municipality of Peel Act, 1973

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THE HON. T. L. WELLS  
Minister of Intergovernmental Affairs

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#### EXPLANATORY NOTES

SECTION 1. The purpose of the proposed annexations, as set out in the new subsections *1b* and *1c* of section 2, is to realign the boundary between the City of Brampton and the City of Mississauga to make it coincident with the southerly limit of the northern link of the Parkway Belt West design area.



BILL 200

1980

## An Act to amend The Regional Municipality of Peel Act, 1973

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. Subsection 1b of section 2 of *The Regional Municipality of Peel Act*, 1973, being chapter 60, as enacted by the Statutes of Ontario, 1975, chapter 46, section 13, is repealed and the following substituted therefor: s. 2 (1b),  
re-enacted

(1b) Those portions of the City of Brampton described as follows are annexed to the City of Mississauga on the 31st day of December, 1980: Portions of  
Brampton  
annexed to  
Mississauga

FIRSTLY, part of the City of Brampton, commencing at a point in the southwesterly boundary of the City of Mississauga and the southwesterly prolongation of the centre line of Lot 14 in Concession VI, West of Hurontario Street, in the former Township of Toronto;

Thence northwesterly along the southwesterly boundary of the City of Mississauga to the intersection of the southwesterly prolongation of the southeasterly limit of a Plan deposited in the Land Registry Office for the Land Registry Division of Peel (No. 43) as Number 43R-4466;

Thence northeasterly to and along the southeasterly limit of the said Plan Number 43R-4466 to the northwesterly boundary of the City of Mississauga;

Thence southwesterly along the boundary of the City of Mississauga to the place of commencement;

SECONDLY, part of the City of Brampton, commencing at the intersection of the northwesterly boundary of the City of Mississauga and the southeasterly limit of a Plan deposited in the said Land Registry Office as Number 43R-5349;

Thence southwesterly along the southeasterly limit of the said Plan Number 43R-5349 to the centre line of Concession VI, West of Hurontario Street;

Thence southeasterly along the centre line of Concession VI to the northwesterly boundary of the City of Mississauga;

Thence northeasterly along the northwesterly boundary of the City of Mississauga to the place of commencement;

THIRDLY, part of the City of Brampton, commencing at the intersection of the southwesterly limit of Concession V, West of Hurontario Street, and the northwesterly boundary of the City of Mississauga;

Thence northwesterly along the southwesterly limit of Concession V, being along the boundary of the said City, to the northwesterly angle of Part 4 as shown on a Plan deposited in the said Land Registry Office as Number 43R-4116;

Thence north  $67^{\circ} 31' 50''$  east 1,327.383 metres to a point;

Thence north  $38^{\circ} 36' 40''$  east 146.206 metres to a point in the northeasterly limit of Lot 13 in Concession V distant 1.548 metres measured north  $44^{\circ} 56' 30''$  west from the easterly angle of Lot 13;

Thence northeasterly to a point in the southwesterly limit of Lot 13 in Concession IV West of Hurontario Street distant 1.646 metres measured north  $44^{\circ} 55' 40''$  west from the southerly angle of Lot 13;

Thence north  $38^{\circ} 36' 35''$  east 1,354.065 metres to a point in the southwesterly limit of Lot 13 in Concession III, West of Hurontario Street, distant 5.316 metres measured north  $44^{\circ} 37' 20''$  west from the southerly angle of Lot 13;

Thence north  $38^{\circ} 36' 35''$  east 2,002.256 metres to a point;

Thence north  $52^{\circ} 09' 01''$  east 838.1 metres, more or less, to the northwesterly boundary of the City of Mississauga, in Concession I, West of Hurontario Street;

Thence southwesterly along the northwesterly boundaries of the City of Mississauga to the place of commencement.

FOURTHLY, part of the City of Brampton, commencing at the intersection of the northwesterly boundary of the City of Mississauga and the centre line of Lot 12 in Concession I, West of Hurontario Street in the former Township of Toronto;

Thence south  $52^{\circ} 09' 01''$  west 67 metres, more or less, to the centre line of Concession I;

Thence southeasterly along the centre line of Concession I to an angle in the City of Mississauga;

Thence northeasterly along the northwesterly boundary of the City of Mississauga to the place of commencement;

FIFTHLY, part of the City of Brampton, commencing at the intersection of the northwesterly boundary of the City of Mississauga and the southwesterly limit of Concession II, East of Hurontario Street in the former Township of Toronto;

Thence north  $44^{\circ} 09' 35''$  west along the southwesterly limit of Concession II 4.74 metres to a point;

Thence north  $39^{\circ} 28' 10''$  east 598.511 metres to a point;

Thence south  $31^{\circ} 20' 30''$  east 0.097 metres to the southeasterly boundary of the City of Brampton;

Thence southwesterly along the southeasterly limit of the City of Brampton to the place of commencement.

(1c) Those portions of the City of Mississauga described as follows are annexed to the City of Brampton on the 31st day of December, 1980: Portions of  
Mississauga  
annexed to  
Brampton

FIRSTLY, part of the City of Mississauga, commencing at the southwesterly angle of Part 1 as shown on a Plan deposited in the Land Registry Office for the Land Registry Division of Peel (No. 43) as Number 43R-4466;

Thence northeasterly along the southeasterly limit of plans deposited in the said Land Registry Office as numbers 43R-4466 and 43R-5349 to the centre line of Concession VI, West of Hurontario Street, in the former Township of Toronto;

Thence northwesterly along the centre line of Concession VI to the southeasterly boundary of the City of Brampton;

Thence southwesterly along the southeasterly boundary of the City of Brampton to the place of commencement;

SECONDLY, part of the City of Mississauga, commencing at the intersection of the southeasterly boundary of the City of Brampton and the southerly limit of a Plan deposited in the said Land Registry Office as Number 43R-5349;

Thence easterly along the southerly limit of the said Plan Number 43R-5349 to the southwesterly limit of the road allowance between Concessions V and VI, West of Hurontario Street;

Thence easterly crossing the said road allowance to the westerly angle of Part 4 as shown on a Plan deposited in the said Land Registry Office as Number 43R-4116;

Thence northwesterly along the northeasterly limit of the said road allowance to an angle in the City of Brampton;

Thence southwesterly along the southeasterly boundary of the City of Brampton to the place of commencement;

THIRDLY, part of the City of Mississauga, commencing at the intersection of the southeasterly boundary of the City of Brampton and the centre line of Concession I, West of Hurontario Street, in the former Township of Toronto;

Thence south  $52^{\circ} 09' 01''$  west 611.4 metres, more or less, to the southeasterly boundary of the City of Brampton;

Thence northeasterly along the southeasterly limit of the northwesterly quarter of Lot 12 in Concession I to an angle in the City of Brampton;

Thence southeasterly along a northeasterly boundary of the City of Brampton to the place of commencement;

FOURTHLY, part of the City of Mississauga, commencing at the intersection of the southeasterly boundary of the City of Brampton and the southerly limit of a Plan deposited in the said Land Registry Office as Number 43R-5308;

Thence north  $52^{\circ} 09' 01''$  east along the southerly limit of the said Plan Number 43R-5308 a distance of 472.4 metres, more or less, to an angle therein;

Thence north  $57^{\circ} 01' 40''$  east along the southerly limit of the said Plan Number 43R-5308 a distance of 115.928 metres to the easterly angle of the said Plan;

Thence easterly crossing the King's Highway No. 10 to the southwesterly angle of a Plan deposited in the said Land Registry Office as Number 43R-5348;

Thence north  $57^{\circ} 13'$  east along the southerly limit of the said Plan 294.894 metres to a point;

Thence north  $52^{\circ} 20' 20''$  east along the southerly limit of the said Plan a distance of 198.315 metres to a point;



SECTION 2. The proposed subsection 9a of section 115 will permit the Regional Council to establish a transportation system for handicapped persons without interfering with the power of area municipalities to operate public transit systems.

Thence north  $39^{\circ} 28' 10''$  east 896.91 metres to the southwesterly limit of Concession II, East of Hurontario Street;

Thence northwesterly along the southwesterly limit of Concession II to the southeasterly boundary of the City of Brampton;

Thence southwesterly along the southeasterly boundary of the City of Brampton to the place of commencement;

FIFTHLY, part of the City of Mississauga, commencing at an angle in the southeasterly boundary of the City of Brampton, the said angle being the southerly angle of the northeasterly half of Lot 12 in Concession II East of Hurontario Street in the former Township of Toronto;

Thence south  $44^{\circ} 15' 40''$  east 38.402 metres to a point;

Thence north  $39^{\circ} 28' 10''$  east 587.30 metres to a point;

Thence north  $20^{\circ} 43' 30''$  east 2,782.99 metres to a point;

Thence north  $27^{\circ} 58'$  east 869.52 metres to a point;

Thence north  $4^{\circ} 00' 50''$  west 652.1 metres, more or less, to the southeasterly boundary of the City of Brampton;

Thence southerly following the boundaries of the City of Brampton to the place of commencement.

(1d) Subsection 3 applies with necessary modifications to the annexations provided for in subsections 1a, 1b and 1c. Annexations  
deemed by  
O.M.B. order

- 2.** Section 115 of the said Act, as amended by the Statutes of Ontario, 1974, chapter 5, section 3, 1974, chapter 117, section 37, 1977, chapter 34, section 31 and 1979, chapter 81, section 86, is further amended by adding thereto the following subsection: s. 115,  
amended

(9a) The Regional Council may establish and operate a system for the transportation of handicapped persons and the provisions of subsection 9 shall not apply thereto. Transportation  
system for  
handi-  
capped  
persons

- 3.** This Act comes into force on the day it receives Royal Assent. Commence-  
ment
- 4.** The short title of this Act is *The Regional Municipality of Peel Amendment Act, 1980*. Short title







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# BILL 200

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An Act to amend  
The Regional Municipality of  
Peel Act, 1973

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*1st Reading*

November 21st, 1980

*2nd Reading*

*3rd Reading*

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THE HON. T. L. WELLS  
Minister of Intergovernmental Affairs

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*(Government Bill)*

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BILL 200

4TH SESSION, 31ST LEGISLATURE, ONTARIO  
29 ELIZABETH II, 1980

An Act to amend  
The Regional Municipality of Peel Act, 1973

THE HON. T. L. WELLS  
Minister of Intergovernmental Affairs





BILL 200

1980

## An Act to amend The Regional Municipality of Peel Act, 1973

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. Subsection 1b of section 2 of *The Regional Municipality of Peel Act, 1973*, being chapter 60, as enacted by the Statutes of Ontario, 1975, chapter 46, section 13, is repealed and the following substituted therefor:
 

s. 2 (1b),  
re-enacted

(1b) Those portions of the City of Brampton described as follows are annexed to the City of Mississauga on the 31st day of December, 1980:
 

Portions of  
Brampton  
annexed to  
Mississauga

FIRSTLY, part of the City of Brampton, commencing at a point in the southwesterly boundary of the City of Mississauga and the southwesterly prolongation of the centre line of Lot 14 in Concession VI, West of Hurontario Street, in the former Township of Toronto;

Thence northwesterly along the southwesterly boundary of the City of Mississauga to the intersection of the southwesterly prolongation of the southeasterly limit of a Plan deposited in the Land Registry Office for the Land Registry Division of Peel (No. 43) as Number 43R-4466;

Thence northeasterly to and along the southeasterly limit of the said Plan Number 43R-4466 to the northwesterly boundary of the City of Mississauga;

Thence southwesterly along the boundary of the City of Mississauga to the place of commencement;

SECONDLY, part of the City of Brampton, commencing at the intersection of the northwesterly boundary of the City of Mississauga and the southeasterly limit of a Plan deposited in the said Land Registry Office as Number 43R-5349;

Thence southwesterly along the southeasterly limit of the said Plan Number 43R-5349 to the centre line of Concession VI, West of Hurontario Street;

Thence southeasterly along the centre line of Concession VI to the northwesterly boundary of the City of Mississauga;

Thence northeasterly along the northwesterly boundary of the City of Mississauga to the place of commencement;

THIRDLY, part of the City of Brampton, commencing at the intersection of the southwesterly limit of Concession V, West of Hurontario Street, and the northwesterly boundary of the City of Mississauga;

Thence northwesterly along the southwesterly limit of Concession V, being along the boundary of the said City, to the northwesterly angle of Part 4 as shown on a Plan deposited in the said Land Registry Office as Number 43R-4116;

Thence north  $67^{\circ} 31' 50''$  east 1,327.383 metres to a point;

Thence north  $38^{\circ} 36' 40''$  east 146.206 metres to a point in the northeasterly limit of Lot 13 in Concession V distant 1.548 metres measured north  $44^{\circ} 56' 30''$  west from the easterly angle of Lot 13;

Thence northeasterly to a point in the southwesterly limit of Lot 13 in Concession IV West of Hurontario Street distant 1.646 metres measured north  $44^{\circ} 55' 40''$  west from the southerly angle of Lot 13;

Thence north  $38^{\circ} 36' 35''$  east 1,354.065 metres to a point in the southwesterly limit of Lot 13 in Concession III, West of Hurontario Street, distant 5.316 metres measured north  $44^{\circ} 37' 20''$  west from the southerly angle of Lot 13;

Thence north  $38^{\circ} 36' 35''$  east 2,002.256 metres to a point;

Thence north  $52^{\circ} 09' 01''$  east 838.1 metres, more or less, to the northwesterly boundary of the City of Mississauga, in Concession I, West of Hurontario Street;

Thence southwesterly along the northwesterly boundaries of the City of Mississauga to the place of commencement.

FOURTHLY, part of the City of Brampton, commencing at the intersection of the northwesterly boundary of the City of Mississauga and the centre line of Lot 12 in Concession I, West of Hurontario Street in the former Township of Toronto;



Thence south 52° 09' 01" west 67 metres, more or less, to the centre line of Concession I;

Thence southeasterly along the centre line of Concession I to an angle in the City of Mississauga;

Thence northeasterly along the northwesterly boundary of the City of Mississauga to the place of commencement;

FIFTHLY, part of the City of Brampton, commencing at the intersection of the northwesterly boundary of the City of Mississauga and the southwesterly limit of Concession II, East of Hurontario Street in the former Township of Toronto;

Thence north 44° 09' 35" west along the southwesterly limit of Concession II 1.44 metres to a point;

Thence north 39° 28' 10" east 598.511 metres to a point;

Thence south 31° 20' 30" east 0.097 metres to the southeasterly boundary of the City of Brampton;

Thence southwesterly along the southeasterly limit of the City of Brampton to the place of commencement.

(1c) Those portions of the City of Mississauga described as follows are annexed to the City of Brampton on the 31st day of December, 1980:

Portions of  
Mississauga  
annexed to  
Brampton

FIRSTLY, part of the City of Mississauga, commencing at the southwesterly angle of Part 3 as shown on a Plan deposited in the Land Registry Office for the Land Registry Division of Peel (No. 43) as Number 43R-4466;

Thence northeasterly along the southeasterly limit of plans deposited in the said Land Registry Office as numbers 43R-4466 and 43R-5349 to the centre line of Concession VI, West of Hurontario Street, in the former Township of Toronto;

Thence northwesterly along the centre line of Concession VI to the southeasterly boundary of the City of Brampton;

Thence southwesterly along the southeasterly boundary of the City of Brampton to the place of commencement;

SECONDLY, part of the City of Mississauga, commencing at the intersection of the southeasterly boundary of the City of Brampton and the southerly limit of a Plan deposited in the said Land Registry Office as Number 43R-5349;

Thence easterly along the southerly limit of the said Plan Number 43R-5349 to the southwesterly limit of the road allowance between Concessions V and VI, West of Hurontario Street;

Thence easterly crossing the said road allowance to the westerly angle of Part 4 as shown on a Plan deposited in the said Land Registry Office as Number 43R-4116;

Thence northwesterly along the northeasterly limit of the said road allowance to an angle in the City of Brampton;

Thence southwesterly along the southeasterly boundary of the City of Brampton to the place of commencement;

THIRDLY, part of the City of Mississauga, commencing at the intersection of the southeasterly boundary of the City of Brampton and the centre line of Concession I, West of Hurontario Street, in the former Township of Toronto;

Thence south  $52^{\circ} 09' 01''$  west 611.4 metres, more or less, to the southeasterly boundary of the City of Brampton;

Thence northeasterly along the southeasterly limit of the northwesterly quarter of Lot 12 in Concession I to an angle in the City of Brampton;

Thence southeasterly along a northeasterly boundary of the City of Brampton to the place of commencement;

FOURTHLY, part of the City of Mississauga, commencing at the intersection of the southeasterly boundary of the City of Brampton and the southerly limit of a Plan deposited in the said Land Registry Office as Number 43R-5308;

Thence north  $52^{\circ} 09' 01''$  east along the southerly limit of the said Plan Number 43R-5308 a distance of 472.4 metres, more or less, to an angle therein;

Thence north  $57^{\circ} 01' 40''$  east along the southerly limit of the said Plan Number 43R-5308 a distance of 115.928 metres to the easterly angle of the said Plan;

Thence easterly crossing the King's Highway No. 10 to the southwesterly angle of a Plan deposited in the said Land Registry Office as Number 43R-5348;

Thence north  $57^{\circ} 13'$  east along the southerly limit of the said Plan 294.894 metres to a point;

Thence north  $52^{\circ} 20' 20''$  east along the southerly limit of the said Plan a distance of 198.315 metres to a point;

Thence north  $39^{\circ} 28' 10''$  east 896.91 metres to the southwesterly limit of Concession II, East of Hurontario Street;

Thence northwesterly along the southwesterly limit of Concession II to the southeasterly boundary of the City of Brampton;

Thence southwesterly along the southeasterly boundary of the City of Brampton to the place of commencement;

FIFTHLY, part of the City of Mississauga, commencing at an angle in the southeasterly boundary of the City of Brampton, the said angle being the southerly angle of the northeasterly half of Lot 12 in Concession II East of Hurontario Street in the former Township of Toronto;

Thence south  $44^{\circ} 15' 40''$  east 38.402 metres to a point;

Thence north  $39^{\circ} 28' 10''$  east 587.30 metres to a point;

Thence north  $20^{\circ} 43' 30''$  east 2,782.99 metres to a point;

Thence north  $27^{\circ} 58'$  east 869.52 metres to a point;

Thence north  $4^{\circ} 00' 50''$  west 652.1 metres, more or less, to the southeasterly boundary of the City of Brampton;

Thence southerly following the boundaries of the City of Brampton to the place of commencement.

(1d) Subsection 3 applies with necessary modifications to the annexations provided for in subsections 1a, 1b and 1c. Annexations deemed by O.M.B. order

- 2.** Section 115 of the said Act, as amended by the Statutes of Ontario, 1974, chapter 5, section 3, 1974, chapter 117, section 37, 1977, chapter 34, section 31 and 1979, chapter 81, section 86, is further amended by adding thereto the following subsection: s. 115, amended

(9a) The Regional Council may establish and operate a system for the transportation of handicapped persons and the provisions of subsection 9 shall not apply thereto. Transportation system for handicapped persons

- 3.** This Act comes into force on the day it receives Royal Assent. Commencement
- 4.** The short title of this Act is *The Regional Municipality of Peel Amendment Act, 1980*. Short title

# BILL 200

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An Act to amend  
The Regional Municipality of  
Peel Act, 1973

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*1st Reading*

November 21st, 1980

*2nd Reading*

December 2nd, 1980

*3rd Reading*

December 10th, 1980

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THE HON. T. L. WELLS  
Minister of Intergovernmental Affairs

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4TH SESSION, 31ST LEGISLATURE, ONTARIO  
29 ELIZABETH II, 1980

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An Act to amend The Legislative Assembly Act

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THE HON. T. L. WELLS  
Minister of Intergovernmental Affairs

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TORONTO

PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

## EXPLANATORY NOTES

SECTION 1. The provision for payment of the actual cost of accommodation in Metropolitan Toronto for the Leader of the Opposition and for the Leader of the Third Party, where they reside outside Metropolitan Toronto, is linked to the provision for payment of the actual cost of accommodation in Metropolitan Toronto for members of the Assembly under subsection 7 of section 65 of the Act.

SECTION 2. Subsection 8 of section 65 of the Act provides a limitation on the payment of allowances for expenses. The subsection is as follows:

*(8) A member is not entitled to any allowance for expenses incurred by him after the day a writ for a general election is issued until he is declared elected or, if a recount is applied for, until he is declared elected following the recount.*

New subsection 7a provides an exception for the payment of the actual cost of accommodation while attending at Toronto.

BILL 201

1980

## An Act to amend The Legislative Assembly Act

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario enacts as follows:

1. Section 62a of *The Legislative Assembly Act*, being chapter 240 of the Revised Statutes of Ontario, 1970, as re-enacted by the Statutes of Ontario, 1979, chapter 75, section 4, is repealed and the following substituted therefor: s. 62a,  
re-enacted

62a.—(1) Where the principal residence of the Leader of the Opposition is outside The Municipality of Metropolitan Toronto, he shall be paid the actual cost of his accommodation within The Municipality of Metropolitan Toronto not exceeding in any year an amount that is \$1,000 more than the amount determined in respect of the year by the Board of Internal Economy under subsection 7 of section 65. Cost of  
accommoda-  
tion in  
Toronto

(2) Where the principal residence of the leader of a party, Idem except the Premier and the Leader of the Opposition, that has a recognized membership of twelve or more persons in the Assembly is outside The Municipality of Metropolitan Toronto, he shall be paid the actual cost of his accommodation within The Municipality of Metropolitan Toronto not exceeding in any year an amount that is \$1,000 more than the amount determined in respect of the year by the Board of Internal Economy under subsection 7 of section 65.

- 2.—(1) Section 65 of the said Act, as re-enacted by the Statutes of Ontario, 1973, chapter 151, section 7 and amended by 1976, chapter 60, section 1, 1977, chapter 24, section 2 and 1979, chapter 75, section 7, is further amended by adding thereto the following subsection: s. 65,  
amended

(7a) For the purpose of subsection 7, a member shall be deemed to have been a member from the polling day on which he was elected and, when the Assembly of which he was a member was dissolved, he shall be deemed to have been a member until the day Computation



preceding the polling day that followed the dissolution, or until his death, whichever occurs first.

s. 65 (8),  
amended

(2) Subsection 8 of the said section 65 is amended by adding at the commencement thereof "Subject to subsection 7a".

Commence-  
ment

**3.** This Act shall be deemed to have come into force on the 1st day of April, 1980.

Short title

**4.** The short title of this Act is *The Legislative Assembly Amendment Act, 1980*.









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# BILL 201

---

An Act to amend  
The Legislative Assembly Act

---

*1st Reading*

November 21st, 1980

*2nd Reading*

*3rd Reading*

---

THE HON. T. L. WELLS  
Minister of Intergovernmental Affairs

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*(Government Bill)*

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**BILL 201**

4TH SESSION, 31ST LEGISLATURE, ONTARIO  
29 ELIZABETH II, 1980

**An Act to amend The Legislative Assembly Act**

THE HON. T. L. WELLS  
Minister of Intergovernmental Affairs





BILL 201

1980

## An Act to amend The Legislative Assembly Act

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario enacts as follows:

1. Section 62a of *The Legislative Assembly Act*, being chapter 240 of the Revised Statutes of Ontario, 1970, as re-enacted by the Statutes of Ontario, 1979, chapter 75, section 4, is repealed and the following substituted therefor: s. 62a,  
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62a.—(1) Where the principal residence of the Leader of the Opposition is outside The Municipality of Metropolitan Toronto, he shall be paid the actual cost of his accommodation within The Municipality of Metropolitan Toronto not exceeding in any year an amount that is \$1,000 more than the amount determined in respect of the year by the Board of Internal Economy under subsection 7 of section 65. Cost of  
accommoda-  
tion in  
Toronto

(2) Where the principal residence of the leader of a party, Idem except the Premier and the Leader of the Opposition, that has a recognized membership of twelve or more persons in the Assembly is outside The Municipality of Metropolitan Toronto, he shall be paid the actual cost of his accommodation within The Municipality of Metropolitan Toronto not exceeding in any year an amount that is \$1,000 more than the amount determined in respect of the year by the Board of Internal Economy under subsection 7 of section 65.

- 2.—(1) Section 65 of the said Act, as re-enacted by the Statutes of Ontario, 1973, chapter 151, section 7 and amended by 1976, chapter 60, section 1, 1977, chapter 24, section 2 and 1979, chapter 75, section 7, is further amended by adding thereto the following subsection: s. 65,  
amended

(7a) For the purpose of subsection 7, a member shall be deemed to have been a member from the polling day on which he was elected and, when the Assembly of which he was a member was dissolved, he shall be deemed to have been a member until the day Computation

preceding the polling day that followed the dissolution, or until his death, whichever occurs first.

s. 65 (8),  
amended

(2) Subsection 8 of the said section 65 is amended by adding at the commencement thereof "Subject to subsection 7a".

Commence-  
ment

**3.** This Act shall be deemed to have come into force on the 1st day of April, 1980.

Short title

**4.** The short title of this Act is *The Legislative Assembly Amendment Act, 1980*.









# BILL 201

---

An Act to amend  
The Legislative Assembly Act

---

*1st Reading*

November 21st, 1980

*2nd Reading*

December 11th, 1980

*3rd Reading*

December 12th, 1980

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THE HON. T. L. WELLS  
Minister of Intergovernmental Affairs

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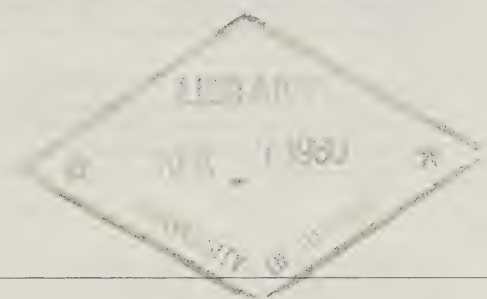
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Government  
Publication

4TH SESSION, 31ST LEGISLATURE, ONTARIO  
29 ELIZABETH II, 1980

*Legislative Assembly*

**An Act respecting Occupiers' Liability**



THE HON. R. MCMURTRY  
Attorney General

TORONTO

PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

#### EXPLANATORY NOTE

The Bill is substantially that recommended by the Ontario Law Reform Commission in its report on Occupiers' Liability made in 1972. The Bill was published by the Ministry of the Attorney General in May, 1979 as a discussion paper and is a companion to *An Act to protect against Trespass to Property*.

The Bill replaces the categories of duties owed by occupiers under the common law with a single duty of care based upon the rule of negligence. Exceptions include a lower duty of care in respect of trespassers and persons permitted to enter for recreational activity on certain classes of land.

BILL 202

1980

## An Act respecting Occupiers' Liability

**H**ER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

**1. In this Act,**

Interpre-  
tation

(a) "occupier" includes,

- (i) a person who is in physical possession of premises, or
- (ii) a person who has responsibility for and control over the condition of premises or the activities there carried on, or control over persons allowed to enter the premises,

notwithstanding that there is more than one occupier of the same premises;

(b) "premises" means lands and structures, or either of them, and includes,

- (i) water,
- (ii) ships and vessels,
- (iii) trailers and portable structures designed or used for residence, business or shelter,
- (iv) trains, railway cars, vehicles and aircraft, except while in operation.

**2. Subject to section 9, the provisions of this Act apply in place of the rules of the common law that determine the care that the occupier of premises at common law is required to show for the purpose of determining his liability in law in respect of dangers to persons entering on the premises or the property brought on the premises by those persons.**

Common law  
duty of care  
superseded

Occupier's  
duty

**3.**—(1) An occupier of premises owes a duty to take such care as in all the circumstances of the case is reasonable to see that persons entering on the premises, and the property brought on the premises by those persons are reasonably safe while on the premises.

Idem

(2) The duty of care provided for in subsection 1 applies whether the danger is caused by the condition of the premises or by an activity carried on on the premises.

Idem

(3) The duty of care provided for in subsection 1 applies except in so far as the occupier of premises is free to and does restrict, modify or exclude his duty.

Risks  
willingly  
assumed

**4.**—(1) The duty of care provided for in subsection 1 of section 3 does not apply in respect of risks willingly assumed by the person who enters on the premises but in that case the occupier owes a duty to the person to not create a danger with the deliberate intent of doing harm or damage to the person or his property and to not act with reckless disregard of the presence of the person or his property.

Criminal  
activity

(2) A person who is on premises with the intention of committing, or in the commission of, a criminal act shall be deemed to have willingly assumed all risks.

Trespass  
and  
permitted  
recreational  
activity  
1980, c. ....

(3) A person who enters premises described in subsection 4 shall be deemed to have willingly assumed all risks,

(a) where the entry is prohibited under *The Trespass to Property Act, 1980*; or

(b) where the entry is for the purpose of a recreational activity and,

(i) no fee is paid for the entry or activity of the person; and

(ii) the person is not being provided with living accommodation by the occupier.

Premises  
referred  
to in  
subs. 3

(4) The premises referred to in subsection 3 are,

(a) a rural premises that is,

(i) used for agricultural purposes, including land under cultivation, orchards, pastures and woodlots,

(ii) vacant or undeveloped premises,



- (iii) forested or wilderness premises;
- (b) golf courses when not open for playing;
- (c) utility rights-of-way and corridors, excluding structures located thereon;
- (d) unopened road allowances;
- (e) private roads reasonably marked by notice as such; and
- (f) recreational trails reasonably marked by notice as such.

**5.**—(1) The duty of an occupier under this Act, or his liability for breach thereof, shall not be restricted or excluded by the provisions of any contract to which the person to whom the duty is owed is not a party, whether or not the occupier is bound by the contract to permit such person to enter or use the premises. Restriction of duty or liability

(2) A contract shall not by virtue of this Act have the effect, unless it expressly so provides, of making an occupier who has taken reasonable care, liable to any person not a party to the contract, for dangers due to the faulty execution of any work of construction, maintenance or repair, or other like operation by persons other than himself, his servants, and persons acting under his direction and control. Extension of liability by contract

(3) Where an occupier is free to restrict, modify or exclude his duty of care or his liability for breach thereof, he shall take reasonable steps to bring such restriction, modification or exclusion to the attention of the person to whom the duty is owed. Reasonable steps to inform

**6.**—(1) Where damage to any person or his property is caused by the negligence of an independent contractor employed by the occupier, the occupier is not on that account liable if in all the circumstances he had acted reasonably in entrusting the work to the independent contractor, if he had taken such steps, if any, as he reasonably ought in order to satisfy himself that the contractor was competent and that the work had been properly done, and if it was reasonable that the work performed by the independent contractor should have been undertaken. Liability where independent contractor

(2) Where there is more than one occupier of premises, any benefit accruing by reason of subsection 1 to the occupier who employed the independent contractor shall accrue to all occupiers of the premises. Idem

Idem

(3) Nothing in this section affects any duty of the occupier that is non-delegable at common law or affects any provision in any other Act that provides that an occupier is liable for the negligence of an independent contractor.

Application  
of ss. 5 (1, 2), 6

7. In so far as subsections 1 and 2 of section 5 prevent the duty of care owed by an occupier, or liability for breach thereof, from being restricted or excluded, they apply to contracts entered into both before and after the commencement of this Act, and in so far as section 6 enlarges the duty of care owed by an occupier, or liability for breach thereof, it applies only in respect of contracts entered into after the commencement of this Act.

Obligations  
of landlord  
as occupier

8.—(1) Where premises are occupied or used by virtue of a tenancy under which the landlord is responsible for the maintenance or repair of the premises, it is the duty of the landlord to show towards any person or the property brought on the premises by those persons, the same duty of care in respect of dangers arising from any failure on his part in carrying out his responsibility as is required by this Act to be shown by an occupier of the premises.

Idem

(2) For the purposes of this section, a landlord shall not be deemed to have made default in carrying out any obligation to a person unless his default is such as to be actionable at the suit of the person entitled to possession of the premises.

Interpre-  
tation

(3) For the purposes of this section, obligations imposed by any enactment by virtue of a tenancy shall be treated as imposed by the tenancy, and "tenancy" includes a statutory tenancy, an implied tenancy and any contract conferring the right of occupation, and "landlord" shall be construed accordingly.

Application  
of section

(4) This section applies to all tenancies whether created before or after the commencement of this Act.

Preservation  
of higher  
obligations

9.—(1) Nothing in this Act relieves an occupier of premises in any particular case from any higher liability or any duty to show a higher standard of care that in that case is incumbent on him by virtue of any enactment or rule of law imposing special liability or standards of care on particular classes of persons including, but without restricting the generality of the foregoing, the obligations of,

R.S.O. 1970,  
c. 223

- (a) innkeepers, subject to *The Innkeepers Act*;
- (b) common carriers;
- (c) bailees.

(2) Nothing in this Act shall be construed to affect the rights, duties and liabilities resulting from a master and servant relationship where it exists. Master and servant relationships

(3) The provisions of *The Negligence Act* apply with respect to causes of action to which this Act applies. Application of R.S.O. 1970, c. 296

**10.**—(1) This Act binds the Crown, subject to *The Proceedings Against the Crown Act*. Act binds Crown R.S.O. 1970, c. 365

(2) This Act does not apply to the Crown or to any municipal corporation, where the Crown or the municipal corporation is an occupier of a public highway or a public road. Exception

**11.** This Act does not affect rights and liabilities of persons in respect of causes of action arising before this Act comes into force. Application of Act

**12.** This Act comes into force on a day to be named by proclamation of the Lieutenant Governor. Commencement

**13.** The short title of this Act is *The Occupiers' Liability Act, 1980*. Short title

An Act respecting  
Occupiers' Liability

*1st Reading*

March 11th, 1980

*2nd Reading*

March 11th, 1980

*3rd Reading*

THE HON. R. MCMURTRY  
Attorney General

*(Government Bill)*

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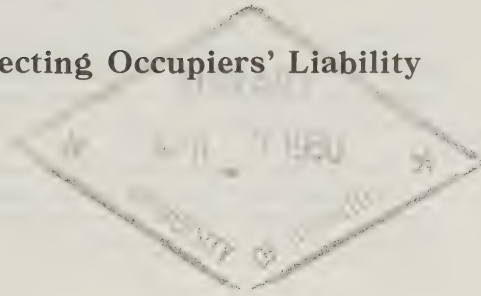
Publication

**BILL 202**

**Government Bill**

4TH SESSION, 31ST LEGISLATURE, ONTARIO  
29 ELIZABETH II, 1980

**An Act respecting Occupiers' Liability**



THE HON. R. McMURTRY  
Attorney General

*(Reprinted as amended by the Resources Development Committee)*

#### EXPLANATORY NOTE

The Bill is substantially that recommended by the Ontario Law Reform Commission in its report on Occupiers' Liability made in 1972. The Bill was published by the Ministry of the Attorney General in May, 1979 as a discussion paper and is a companion to *An Act to protect against Trespass to Property*.

The Bill replaces the categories of duties owed by occupiers under the common law with a single duty of care based upon the rule of negligence. Exceptions include a lower duty of care in respect of trespassers and persons permitted to enter for recreational activity on certain classes of land.

BILL 202

1980

## An Act respecting Occupiers' Liability

**H**ER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

**1.** In this Act,

Interpre-  
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(a) "occupier" includes,

- (i) a person who is in physical possession of premises, or
- (ii) a person who has responsibility for and control over the condition of premises or the activities there carried on, or control over persons allowed to enter the premises,

notwithstanding that there is more than one occupier of the same premises;

(b) "premises" means lands and structures, or either of them, and includes,

- (i) water,
- (ii) ships and vessels,
- (iii) trailers and portable structures designed or used for residence, business or shelter,
- (iv) trains, railway cars, vehicles and aircraft, except while in operation.

**2.** Subject to section 9, the provisions of this Act apply in place of the rules of the common law that determine the care that the occupier of premises at common law is required to show for the purpose of determining his liability in law in respect of dangers to persons entering on the premises or the property brought on the premises by those persons.

Common law  
duty of care  
superseded



Occupier's  
duty

3.—(1) An occupier of premises owes a duty to take such care as in all the circumstances of the case is reasonable to see that persons entering on the premises, and the property brought on the premises by those persons are reasonably safe while on the premises.

Idem

(2) The duty of care provided for in subsection 1 applies whether the danger is caused by the condition of the premises or by an activity carried on on the premises.

Idem

(3) The duty of care provided for in subsection 1 applies except in so far as the occupier of premises is free to and does restrict, modify or exclude his duty.

Risks  
willingly  
assumed

4.—(1) The duty of care provided for in subsection 1 of section 3 does not apply in respect of risks willingly assumed by the person who enters on the premises but in that case the occupier owes a duty to the person to not create a danger with the deliberate intent of doing harm or damage to the person or his property and to not act with reckless disregard of the presence of the person or his property.

Criminal  
activity



(2) A person who is on premises with the intention of committing, or in the commission of, a criminal act shall be deemed to have willingly assumed all risks and is subject to the duty of care set out in subsection 1.

Trespass  
and  
permitted  
recreational  
activity

(3) A person who enters premises described in subsection 4 shall be deemed to have willingly assumed all risks and is subject to the duty of care set out in subsection 1,

1980, c. ...

(a) where the entry is prohibited under *The Trespass to Property Act, 1980*;

 (b) where the occupier has posted no notice in respect of entry and has not otherwise expressly permitted entry; or 

(c) where the entry is for the purpose of a recreational activity and,

(i) no fee is paid for the entry or activity of the person, other than a benefit or payment received from a government or government agency or a non-profit recreation club or association, and

(ii) the person is not being provided with living accommodation by the occupier.

Premises  
referred  
to in  
subs. 3

(4) The premises referred to in subsection 3 are,

(a) a rural premises that is,



- (i) used for agricultural purposes, including land under cultivation, orchards, pastures, woodlots and farm ponds,
- (ii) vacant or undeveloped premises,
- (iii) forested or wilderness premises;
- (b) golf courses when not open for playing;
- (c) utility rights-of-way and corridors, excluding structures located thereon;
- (d) unopened road allowances;
- (e) private roads reasonably marked by notice as such; and
- (f) recreational trails reasonably marked by notice as such.

**5.**—(1) The duty of an occupier under this Act, or his liability for breach thereof, shall not be restricted or excluded by the provisions of any contract to which the person to whom the duty is owed is not a party, whether or not the occupier is bound by the contract to permit such person to enter or use the premises. Restriction of duty or liability

(2) A contract shall not by virtue of this Act have the effect, unless it expressly so provides, of making an occupier who has taken reasonable care, liable to any person not a party to the contract, for dangers due to the faulty execution of any work of construction, maintenance or repair, or other like operation by persons other than himself, his servants, and persons acting under his direction and control. Extension of liability by contract

(3) Where an occupier is free to restrict, modify or exclude his duty of care or his liability for breach thereof, he shall take reasonable steps to bring such restriction, modification or exclusion to the attention of the person to whom the duty is owed. Reasonable steps to inform

**6.**—(1) Where damage to any person or his property is caused by the negligence of an independent contractor employed by the occupier, the occupier is not on that account liable if in all the circumstances he had acted reasonably in entrusting the work to the independent contractor, if he had taken such steps, if any, as he reasonably ought in order to satisfy himself that the contractor was competent and that the work had been properly done, and if it was reasonable that the work performed by the independent contractor should have been undertaken. Liability where independent contractor

Idem

(2) Where there is more than one occupier of premises, any benefit accruing by reason of subsection 1 to the occupier who employed the independent contractor shall accrue to all occupiers of the premises.

Idem

(3) Nothing in this section affects any duty of the occupier that is non-delegable at common law or affects any provision in any other Act that provides that an occupier is liable for the negligence of an independent contractor.

Application  
of ss. 5 (1, 2), 6

**7.** In so far as subsections 1 and 2 of section 5 prevent the duty of care owed by an occupier, or liability for breach thereof, from being restricted or excluded, they apply to contracts entered into both before and after the commencement of this Act, and in so far as section 6 enlarges the duty of care owed by an occupier, or liability for breach thereof, it applies only in respect of contracts entered into after the commencement of this Act.

Obligations  
of landlord  
as occupier

**8.—**(1) Where premises are occupied or used by virtue of a tenancy under which the landlord is responsible for the maintenance or repair of the premises, it is the duty of the landlord to show towards any person or the property brought on the premises by those persons, the same duty of care in respect of dangers arising from any failure on his part in carrying out his responsibility as is required by this Act to be shown by an occupier of the premises.

Idem

(2) For the purposes of this section, a landlord shall not be deemed to have made default in carrying out any obligation to a person unless his default is such as to be actionable at the suit of the person entitled to possession of the premises.

Interpre-  
tation

(3) For the purposes of this section, obligations imposed by any enactment by virtue of a tenancy shall be treated as imposed by the tenancy, and "tenancy" includes a statutory tenancy, an implied tenancy and any contract conferring the right of occupation, and "landlord" shall be construed accordingly.

Application  
of section

(4) This section applies to all tenancies whether created before or after the commencement of this Act.

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**9.—**(1) Nothing in this Act relieves an occupier of premises in any particular case from any higher liability or any duty to show a higher standard of care that in that case is incumbent on him by virtue of any enactment or rule of law imposing special liability or standards of care on particular classes of persons including, but without restricting the generality of the foregoing, the obligations of,

(a) innkeepers, subject to *The Innkeepers Act*;

R.S.O. 1970,  
c. 223

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Master and  
servant  
relationships

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Application  
of  
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**10.**—(1) This Act binds the Crown, subject to *The Proceedings Against the Crown Act*.

Act binds  
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R.S.O. 1970,  
c. 365

(2) This Act does not apply to the Crown or to any municipal corporation, where the Crown or the municipal corporation is an occupier of a public highway or a public road.

Exception

**11.** This Act does not affect rights and liabilities of persons in respect of causes of action arising before this Act comes into force.

Application  
of Act

**12.** This Act comes into force on a day to be named by proclamation of the Lieutenant Governor.

Commence-  
ment

**13.** The short title of this Act is *The Occupiers' Liability Act, 1980*.

Short title

An Act respecting  
Occupiers' Liability

*1st Reading*

March 11th, 1980

*2nd Reading*

March 11th, 1980

*3rd Reading*

THE HON. R. MCMURTRY  
Attorney General

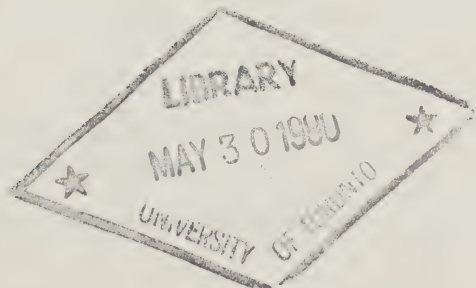
(Reprinted as amended by the  
*Resources Development Committee*)

4TH SESSION, 31ST LEGISLATURE, ONTARIO  
29 ELIZABETH II, 1980

*Legislative Assembly*

## An Act respecting Occupiers' Liability

THE HON. R. MCMURTRY  
Attorney General



TORONTO

PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO



BILL 202

1980

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Interpre-  
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Common law  
duty of care  
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Occupier's  
duty

**3.—**(1) An occupier of premises owes a duty to take such care as in all the circumstances of the case is reasonable to see that persons entering on the premises, and the property brought on the premises by those persons are reasonably safe while on the premises.

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Risks  
willingly  
assumed

**4.—**(1) The duty of care provided for in subsection 1 of section 3 does not apply in respect of risks willingly assumed by the person who enters on the premises but in that case the occupier owes a duty to the person to not create a danger with the deliberate intent of doing harm or damage to the person or his property and to not act with reckless disregard of the presence of the person or his property.

Criminal  
activity

(2) A person who is on premises with the intention of committing, or in the commission of, a criminal act shall be deemed to have willingly assumed all risks and is subject to the duty of care set out in subsection 1.

Trespass  
and  
permitted  
recreational  
activity

(3) A person who enters premises described in subsection 4 shall be deemed to have willingly assumed all risks and is subject to the duty of care set out in subsection 1,

1980, c. ...

(a) where the entry is prohibited under *The Trespass to Property Act, 1980*;

(b) where the occupier has posted no notice in respect of entry and has not otherwise expressly permitted entry; or

(c) where the entry is for the purpose of a recreational activity and,

(i) no fee is paid for the entry or activity of the person, other than a benefit or payment received from a government or government agency or a non-profit recreation club or association, and

(ii) the person is not being provided with living accommodation by the occupier.

Premises  
referred  
to in  
subs. 3

(4) The premises referred to in subsection 3 are,

(a) a rural premises that is,



- (i) used for agricultural purposes, including land under cultivation, orchards, pastures, woodlots and farm ponds,
- (ii) vacant or undeveloped premises,
- (iii) forested or wilderness premises;
- (b) golf courses when not open for playing;
- (c) utility rights-of-way and corridors, excluding structures located thereon;
- (d) unopened road allowances;
- (e) private roads reasonably marked by notice as such; and
- (f) recreational trails reasonably marked by notice as such.

**5.**—(1) The duty of an occupier under this Act, or his liability for breach thereof, shall not be restricted or excluded by the provisions of any contract to which the person to whom the duty is owed is not a party, whether or not the occupier is bound by the contract to permit such person to enter or use the premises. Restriction of duty or liability

(2) A contract shall not by virtue of this Act have the effect, unless it expressly so provides, of making an occupier who has taken reasonable care, liable to any person not a party to the contract, for dangers due to the faulty execution of any work of construction, maintenance or repair, or other like operation by persons other than himself, his servants, and persons acting under his direction and control. Extension of liability by contract

(3) Where an occupier is free to restrict, modify or exclude his duty of care or his liability for breach thereof, he shall take reasonable steps to bring such restriction, modification or exclusion to the attention of the person to whom the duty is owed. Reasonable steps to inform

**6.**—(1) Where damage to any person or his property is caused by the negligence of an independent contractor employed by the occupier, the occupier is not on that account liable if in all the circumstances he had acted reasonably in entrusting the work to the independent contractor, if he had taken such steps, if any, as he reasonably ought in order to satisfy himself that the contractor was competent and that the work had been properly done, and if it was reasonable that the work performed by the independent contractor should have been undertaken. Liability where independent contractor

Idem

(2) Where there is more than one occupier of premises, any benefit accruing by reason of subsection 1 to the occupier who employed the independent contractor shall accrue to all occupiers of the premises.

Idem

(3) Nothing in this section affects any duty of the occupier that is non-delegable at common law or affects any provision in any other Act that provides that an occupier is liable for the negligence of an independent contractor.

Application  
of ss. 5 (1, 2), 6

**7.** In so far as subsections 1 and 2 of section 5 prevent the duty of care owed by an occupier, or liability for breach thereof, from being restricted or excluded, they apply to contracts entered into both before and after the commencement of this Act, and in so far as section 6 enlarges the duty of care owed by an occupier, or liability for breach thereof, it applies only in respect of contracts entered into after the commencement of this Act.

Obligations  
of landlord  
as occupier

**8.—(1)** Where premises are occupied or used by virtue of a tenancy under which the landlord is responsible for the maintenance or repair of the premises, it is the duty of the landlord to show towards any person or the property brought on the premises by those persons, the same duty of care in respect of dangers arising from any failure on his part in carrying out his responsibility as is required by this Act to be shown by an occupier of the premises.

Idem

(2) For the purposes of this section, a landlord shall not be deemed to have made default in carrying out any obligation to a person unless his default is such as to be actionable at the suit of the person entitled to possession of the premises.

Interpre-  
tation

(3) For the purposes of this section, obligations imposed by any enactment by virtue of a tenancy shall be treated as imposed by the tenancy, and “tenancy” includes a statutory tenancy, an implied tenancy and any contract conferring the right of occupation, and “landlord” shall be construed accordingly.

Application  
of section

(4) This section applies to all tenancies whether created before or after the commencement of this Act.

Preservation  
of higher  
obligations

**9.—(1)** Nothing in this Act relieves an occupier of premises in any particular case from any higher liability or any duty to show a higher standard of care that in that case is incumbent on him by virtue of any enactment or rule of law imposing special liability or standards of care on particular classes of persons including, but without restricting the generality of the foregoing, the obligations of,

(a) innkeepers, subject to *The Innkeepers Act*;

R.S.O. 1970,  
c. 223

(b) common carriers;

(c) bailees.

(2) Nothing in this Act shall be construed to affect the rights, duties and liabilities resulting from a master and servant relationship where it exists.

Master and  
servant  
relationships

(3) The provisions of *The Negligence Act* apply with respect to causes of action to which this Act applies.

Application  
of  
R.S.O. 1970,  
c. 296

**10.**—(1) This Act binds the Crown, subject to *The Proceedings Against the Crown Act*.

Act binds  
Crown  
R.S.O. 1970,  
c. 365

(2) This Act does not apply to the Crown or to any municipal corporation, where the Crown or the municipal corporation is an occupier of a public highway or a public road.

Exception

**11.** This Act does not affect rights and liabilities of persons in respect of causes of action arising before this Act comes into force.

Application  
of Act

**12.** This Act comes into force on a day to be named by proclamation of the Lieutenant Governor.

Commence-  
ment

**13.** The short title of this Act is *The Occupiers' Liability Act, 1980*.

Short title

An Act respecting  
Occupiers' Liability

---

*1st Reading*

March 11th, 1980

*2nd Reading*

March 11th, 1980

*3rd Reading*

May 13th, 1980

---

THE HON. R. McMurtry  
Attorney General

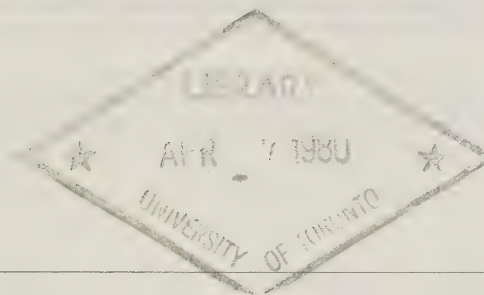
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BILL 203

Government Bill

4TH SESSION, 31ST LEGISLATURE, ONTARIO  
29 ELIZABETH II, 1980

**An Act to protect against  
Trespass to Property**



THE HON. R. MCMURTRY  
Attorney General

TORONTO

PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

#### EXPLANATORY NOTE

This Bill was published by the Ministry of the Attorney General in May, 1979 as a discussion paper and is a companion to *An Act respecting Occupiers' Liability*.

The Bill provides more effective penalties for trespass and provides for a system whereby an owner can give a limited right of entry to permit recreational activity. The Bill respecting Occupiers' Liability limits the liability of the owner in such cases.

BILL 203

1980

## An Act to protect against Trespass to Property

**H**ER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

**1.** In this Act,

Interpre-  
tation

(a) “occupier” includes,

- (i) a person who is in physical possession of premises, or
- (ii) a person who has responsibility for and control over the condition of premises or the activities there carried on, or control over persons allowed to enter the premises,

notwithstanding that there is more than one occupier of the same premises;

(b) “person” includes a board as defined in *The Education Act, 1974*; 1974, c. 109

(c) “premises” means lands and structures, or either of them, and includes,

- (i) water,
- (ii) ships and vessels,
- (iii) trailers and portable structures designed or used for residence, business or shelter,
- (iv) trains, railway cars, vehicles and aircraft, except while in operation.

**2.—**(1) Every person who is not acting under a right or authority conferred by law and who, Trespass  
an offence



(a) without the express permission of the occupier, the proof of which rests on the defendant,

(i) enters on premises when entry is prohibited under this Act, or

(ii) engages in an activity on premises when the activity is prohibited under this Act; or

(b) does not leave the premises immediately after he is directed to do so by the occupier of the premises or a person authorized by the occupier,

is guilty of an offence and on conviction is liable to a fine of not more than \$1,000.

Colour  
of right  
as a  
defence

(2) It is a defence to a charge under subsection 1 in respect of premises that is land that the person charged reasonably believed that he had title to or an interest in the land that entitled him to do the act complained of.

Prohibition  
of entry

**3.—**(1) Entry on premises may be prohibited by notice to that effect and entry is prohibited without any notice on premises,

(a) that is a garden, field or other land that is under cultivation, including a lawn, orchard, vineyard and premises on which trees have been planted and have not attained an average height of more than one metre; or

(b) that is enclosed in a manner that indicates the occupier's intention to keep persons off the premises or to keep animals on the premises.

Implied  
permission  
to use  
approach  
to door

(2) There is a presumption that access for lawful purposes to the door of a building on premises by a means apparently provided and used for the purpose of access is not prohibited.

Limited  
permission

**4.—**(1) Where notice is given that one or more particular activities are permitted, all other activities and entry for the purpose are prohibited and any additional notice that entry is prohibited or a particular activity is prohibited on the same premises shall be construed to be for greater certainty only.

Limited  
prohibition

(2) Where entry on premises is not prohibited under section 3 or by notice that one or more particular activities are permitted under subsection 1, and notice is given that a particular activity is prohibited, that activity and entry for the purpose is prohibited



and all other activities and entry for the purpose are not prohibited.

**5.—**(1) A notice under this Act may be given,

Method  
of giving  
notice

(a) orally or in writing;

(b) by means of signs posted so that a sign is clearly visible in daylight under normal conditions from the approach to each ordinary point of access to the premises to which it applies; or

(c) by means of the marking system set out in section 7.

(2) Substantial compliance with clause *b* or *c* of subsection 1 is sufficient notice. Substantial  
compliance

**6.—**(1) A sign naming an activity or showing a graphic representation of an activity is sufficient for the purpose of giving notice that the activity is permitted. Form  
of sign

(2) A sign naming an activity with an oblique line drawn through the name or showing a graphic representation of an activity with an oblique line drawn through the representation is sufficient for the purpose of giving notice that the activity is prohibited. Idem

**7.—**(1) Red markings made and posted in accordance with subsections 3 and 4 are sufficient for the purpose of giving notice that entry on the premises is prohibited. Red  
markings

(2) Yellow markings made and posted in accordance with subsections 3 and 4 are sufficient for the purpose of giving notice that entry is prohibited except for the purpose of certain activities and shall be deemed to be notice of the activities permitted. Yellow  
markings

(3) A marking under this section shall be of such a size that a circle ten centimetres in diameter can be contained wholly within it. Size

(4) Markings under this section shall be so placed that a marking is clearly visible in daylight under normal conditions from the approach to each ordinary point of access to the premises to which it applies. Posting

**8.** A notice or permission under this Act may be given in respect of any part of the premises of an occupier. Notice  
applicable  
to part  
of premises

Arrest  
without  
warrant

**9.—(1)** A police officer, or the occupier of premises, or a person authorized by the occupier may arrest without warrant any person he believes on reasonable and probable grounds to be on the premises in contravention of section 2.

Delivery  
to police  
officer

(2) Where the person who makes an arrest under subsection 1 is not a police officer, he shall promptly call for the assistance of a police officer and give the person arrested into the custody of the police officer.

Application  
of 1979, c. 4

(3) A police officer to whom the custody of a person is given under subsection 2 shall be deemed to have arrested the person for the purposes of the provisions of *The Provincial Offences Act, 1979* applying to his release or continued detention and bail.

Motor  
vehicles  
R.S.O. 1970,  
c. 202

**10.** Where an offence under this Act is committed by means of a motor vehicle, as defined in *The Highway Traffic Act*, the driver of the motor vehicle is liable to the fine provided under this Act and, where the driver is not the owner, the owner of the motor vehicle is also liable to the fine provided under this Act unless, at the time the offence was committed, the motor vehicle was in the possession of a person other than the owner without the owner's consent.

Damage  
award

**11.—(1)** Where a person is convicted of an offence under section 2, and a person has suffered damage caused by the person convicted during the commission of the offence, the court shall, on the request of the prosecutor and with the consent of the person who suffered the damage, determine the damages and shall make a judgment for damages against the person convicted in favour of the person who suffered the damage, but no judgment shall be for an amount in excess of \$1,000.

Costs of  
prosecution

(2) Where a prosecution under section 2 is conducted by a private prosecutor, and the defendant is convicted, unless the court is of the opinion that the prosecution was not necessary for the protection of the occupier or his interests, the court shall determine the actual costs reasonably incurred in conducting the prosecution and, notwithstanding section 61 of *The Provincial Offences Act, 1979*, shall order those costs to be paid by the defendant to the prosecutor.

1979, c. 4

Damages  
and costs  
in addition  
to fine

(3) A judgment for damages under subsection 1, or an award of costs under subsection 2, shall be in addition to any fine that is imposed under this Act.

Civil  
action

(4) A judgment for damages under subsection 1 extinguishes the right of the person in whose favour the judgment is made to bring a civil action for damages against the person convicted arising out of the same facts.

(5) The failure to request or refusal to grant a judgment for damages under subsection 1 does not affect a right to bring a civil action for damages arising out of the same facts. Idem

(6) The judgment for damages under subsection 1, and the award for costs under subsection 2, may be filed in a small claims court and shall be deemed to be a judgment or order of that court for the purposes of enforcement. Enforcement

**12.** *The Petty Trespass Act*, being chapter 347 of the Revised Statutes of Ontario, 1970, is repealed. Repeal

**13.** This Act comes into force on a day to be named by proclamation of the Lieutenant Governor. Commencement

**14.** The short title of this Act is *The Trespass to Property Act, 1980*. Short title

BILL 203

An Act to protect  
against Trespass to Property

*1st Reading*

March 11th, 1980

*2nd Reading*

March 11th, 1980

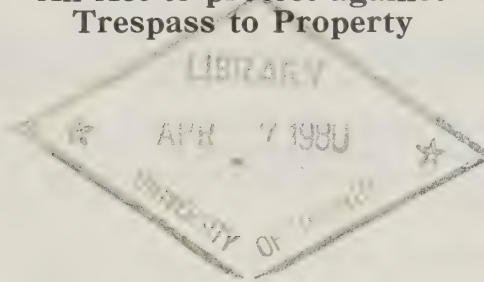
*3rd Reading*

THE HON. R. McMurtry  
Attorney General

*(Government Bill)*

4TH SESSION, 31ST LEGISLATURE, ONTARIO  
29 ELIZABETH II, 1980

**An Act to protect against  
Trespass to Property**



THE HON. R. McMURTRY  
Attorney General

*(Reprinted as amended by the Resources Development Committee)*

TORONTO

PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

#### EXPLANATORY NOTE

This Bill was published by the Ministry of the Attorney General in May, 1979 as a discussion paper and is a companion to *An Act respecting Occupiers' Liability*.

The Bill provides more effective penalties for trespass and provides for a system whereby an owner can give a limited right of entry to permit recreational activity. The Bill respecting Occupiers' Liability limits the liability of the owner in such cases.

BILL 203

1980

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HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1.—(1) In this Act,

Interpre-  
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(a) “occupier” includes,

- (i) a person who is in physical possession of premises, or
- (ii) a person who has responsibility for and control over the condition of premises or the activities there carried on, or control over persons allowed to enter the premises,

notwithstanding that there is more than one occupier of the same premises;

(b) “premises” means lands and structures, or either of them, and includes,

- (i) water,
- (ii) ships and vessels,
- (iii) trailers and portable structures designed or used for residence, business or shelter,
- (iv) trains, railway cars, vehicles and aircraft, except while in operation.

(2) A school board has all the rights and duties of an occupier in respect of its school sites as defined in *The Education Act, 1974*.

School  
boards  
1974, c. 109

2.—(1) Every person who is not acting under a right or authority conferred by law and who,

Trespass  
an offence



(a) without the express permission of the occupier, the proof of which rests on the defendant,

(i) enters on premises when entry is prohibited under this Act, or

(ii) engages in an activity on premises when the activity is prohibited under this Act; or

(b) does not leave the premises immediately after he is directed to do so by the occupier of the premises or a person authorized by the occupier,

is guilty of an offence and on conviction is liable to a fine of not more than \$1,000.

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(2) It is a defence to a charge under subsection 1 in respect of premises that is land that the person charged reasonably believed that he had title to or an interest in the land that entitled him to do the act complained of.

Prohibition  
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**3.—**(1) Entry on premises may be prohibited by notice to that effect and entry is prohibited without any notice on premises,

(a) that is a garden, field or other land that is under cultivation, including a lawn, orchard, vineyard and premises on which trees have been planted and have not attained an average height of more than two metres and woodlots on land used primarily for agricultural purposes; or

(b) that is enclosed in a manner that indicates the occupier's intention to keep persons off the premises or to keep animals on the premises.

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(2) Where entry on premises is not prohibited under section 3 or by notice that one or more particular activities are permitted under subsection 1, and notice is given that a particular activity is prohibited, that activity and entry for the purpose is prohibited



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(a) orally or in writing;

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(c) by means of the marking system set out in section 7.

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**6.—**(1) A sign naming an activity or showing a graphic representation of an activity is sufficient for the purpose of giving notice that the activity is permitted. Form  
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(3) A marking under this section shall be of such a size that a circle ten centimetres in diameter can be contained wholly within it. Size

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**8.** A notice or permission under this Act may be given in respect of any part of the premises of an occupier. Notice  
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An Act to protect  
against Trespass to Property

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*1st Reading*

March 11th, 1980

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*3rd Reading*

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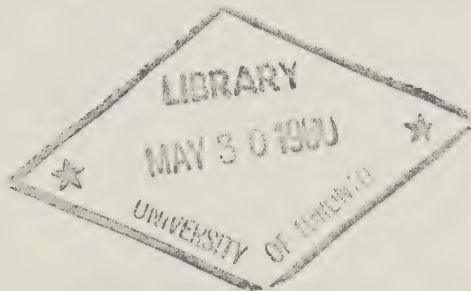
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(Reprinted as amended by the  
Resources Development Committee)

4TH SESSION, 31ST LEGISLATURE, ONTARIO  
29 ELIZABETH II, 1980

**An Act to protect against  
Trespass to Property**

THE HON. R. MCMURTRY  
Attorney General





BILL 203

1980

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notwithstanding that there is more than one occupier of the same premises;

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(2) It is a defence to a charge under subsection 1 in respect of premises that is land that the person charged reasonably believed that he had title to or an interest in the land that entitled him to do the act complained of.

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(a) that is a garden, field or other land that is under cultivation, including a lawn, orchard, vineyard and premises on which trees have been planted and have not attained an average height of more than two metres and woodlots on land used primarily for agricultural purposes; or

(b) that is enclosed in a manner that indicates the occupier's intention to keep persons off the premises or to keep animals on the premises.

Implied  
permission  
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(2) There is a presumption that access for lawful purposes to the door of a building on premises by a means apparently provided and used for the purpose of access is not prohibited.

Limited  
permission

**4.—**(1) Where notice is given that one or more particular activities are permitted, all other activities and entry for the purpose are prohibited and any additional notice that entry is prohibited or a particular activity is prohibited on the same premises shall be construed to be for greater certainty only.

Limited  
prohibition

(2) Where entry on premises is not prohibited under section 3 or by notice that one or more particular activities are permitted under subsection 1, and notice is given that a particular activity is prohibited, that activity and entry for the purpose is prohibited

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notice

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Substantial  
compliance

**6.—**(1) A sign naming an activity or showing a graphic representation of an activity is sufficient for the purpose of giving notice that the activity is permitted.

Form  
of sign

(2) A sign naming an activity with an oblique line drawn through the name or showing a graphic representation of an activity with an oblique line drawn through the representation is sufficient for the purpose of giving notice that the activity is prohibited.

Idem

**7.—**(1) Red markings made and posted in accordance with subsections 3 and 4 are sufficient for the purpose of giving notice that entry on the premises is prohibited.

Red  
markings

(2) Yellow markings made and posted in accordance with subsections 3 and 4 are sufficient for the purpose of giving notice that entry is prohibited except for the purpose of certain activities and shall be deemed to be notice of the activities permitted.

Yellow  
markings

(3) A marking under this section shall be of such a size that a circle ten centimetres in diameter can be contained wholly within it.

Size

(4) Markings under this section shall be so placed that a marking is clearly visible in daylight under normal conditions from the approach to each ordinary point of access to the premises to which it applies.

Posting

**8.** A notice or permission under this Act may be given in respect of any part of the premises of an occupier.

Notice  
applicable  
to part  
of premises



Arrest  
without  
warrant  
on premises

**9.**—(1) A police officer, or the occupier of premises, or a person authorized by the occupier may arrest without warrant any person he believes on reasonable and probable grounds to be on the premises in contravention of section 2.

Delivery  
to police  
officer

(2) Where the person who makes an arrest under subsection 1 is not a police officer, he shall promptly call for the assistance of a police officer and give the person arrested into the custody of the police officer.

Application  
of 1979, c. 4

(3) A police officer to whom the custody of a person is given under subsection 2 shall be deemed to have arrested the person for the purposes of the provisions of *The Provincial Offences Act, 1979* applying to his release or continued detention and bail.

Arrest  
without  
warrant  
off premises

**10.** Where a police officer believes on reasonable and probable grounds that a person has been in contravention of section 2 and has made fresh departure from the premises, and the person refuses to give his name and address, or there are reasonable and probable grounds to believe that the name or address given is false, the police officer may arrest the person without warrant.

Motor  
vehicles  
R.S.O. 1970,  
c. 202

**11.** Where an offence under this Act is committed by means of a motor vehicle, as defined in *The Highway Traffic Act*, the driver of the motor vehicle is liable to the fine provided under this Act and, where the driver is not the owner, the owner of the motor vehicle is liable to the fine provided under this Act unless the driver is convicted of the offence or, at the time the offence was committed, the motor vehicle was in the possession of a person other than the owner without the owner's consent.

Damage  
award

**12.**—(1) Where a person is convicted of an offence under section 2, and a person has suffered damage caused by the person convicted during the commission of the offence, the court shall, on the request of the prosecutor and with the consent of the person who suffered the damage, determine the damages and shall make a judgment for damages against the person convicted in favour of the person who suffered the damage, but no judgment shall be for an amount in excess of \$1,000.

Costs of  
prosecution

(2) Where a prosecution under section 2 is conducted by a private prosecutor, and the defendant is convicted, unless the court is of the opinion that the prosecution was not necessary for the protection of the occupier or his interests, the court shall determine the actual costs reasonably incurred in conducting the prosecution and, notwithstanding section 61 of *The Provincial Offences Act, 1979*, shall order those costs to be paid by the defendant to the prosecutor.

1979, c. 4



(3) A judgment for damages under subsection 1, or an award of costs under subsection 2, shall be in addition to any fine that is imposed under this Act. Damages and costs in addition to fine

(4) A judgment for damages under subsection 1 extinguishes the right of the person in whose favour the judgment is made to bring a civil action for damages against the person convicted arising out of the same facts. Civil action

(5) The failure to request or refusal to grant a judgment for damages under subsection 1 does not affect a right to bring a civil action for damages arising out of the same facts. Idem

(6) The judgment for damages under subsection 1, and the award for costs under subsection 2, may be filed in a small claims court and shall be deemed to be a judgment or order of that court for the purposes of enforcement. Enforcement

**13.** *The Petty Trespass Act*, being chapter 347 of the Revised Statutes of Ontario, 1970, is repealed. Repeal

**14.** This Act comes into force on a day to be named by proclamation of the Lieutenant Governor. Commencement

**15.** The short title of this Act is *The Trespass to Property Act, 1980*. Short title

An Act to protect  
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*1st Reading*

March 11th, 1980

*2nd Reading*

March 11th, 1980

*3rd Reading*

May 13th, 1980

THE HON. R. MCMURTRY  
Attorney General

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4TH SESSION, 31ST LEGISLATURE, <sup>7</sup>ONTARIO  
29 ELIZABETH II, 1980

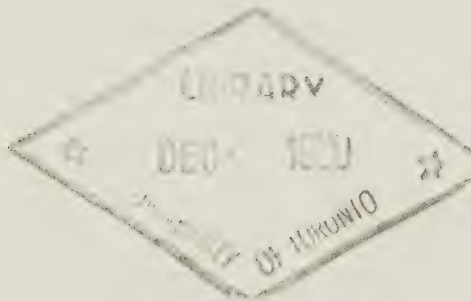
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An Act to amend  
The Executive Council Act

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THE HON. T. L. WELLS  
Minister of Intergovernmental Affairs

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#### EXPLANATORY NOTE

The provision for the payment of the actual cost of accommodation in Metropolitan Toronto for a minister of the Crown who resides outside Metropolitan Toronto is linked to the provision for payment of the actual cost of accommodation in Metropolitan Toronto for members of the Assembly under subsection 7 of section 65 of *The Legislative Assembly Act*.

BILL 204

1980

## An Act to amend The Executive Council Act

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. Subsection 1 of section 3a of *The Executive Council Act*, being chapter 153 of the Revised Statutes of Ontario, 1970, as re-enacted by the Statutes of Ontario, 1979, chapter 76, section 2, is repealed and the following substituted therefor:
 

s. 3a (1),  
re-enacted

(1) Every minister of the Crown whose principal residence is outside The Municipality of Metropolitan Toronto shall be paid the actual cost of his accommodation within The Municipality of Metropolitan Toronto not exceeding in any year an amount that is \$1,000 more than the amount determined in respect of the year by the Board of Internal Economy under subsection 7 of section 65 of *The Legislative Assembly Act*.

Cost of  
accommoda-  
tion in  
Toronto

2. This Act shall be deemed to have come into force on the 1st day of April, 1980.
 

R.S.O. 1970,  
c. 240
3. The short title of this Act is *The Executive Council Amendment Act*, 1980.
 

Commence-  
ment

Short title

# BILL 204

---

An Act to amend  
The Executive Council Act

---

*1st Reading*

November 21st, 1980

*2nd Reading*

*3rd Reading*

---

THE HON. T. L. WELLS  
Minister of Intergovernmental Affairs

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*(Government Bill)*

1

*Ontario  
Publications*

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**BILL 204**

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4TH SESSION, 31ST LEGISLATURE, ONTARIO  
29 ELIZABETH II, 1980

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**An Act to amend  
The Executive Council Act**

---

THE HON. T. L. WELLS  
Minister of Intergovernmental Affairs

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BILL 204

1980

## An Act to amend The Executive Council Act

**H**ER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. Subsection 1 of section 3a of *The Executive Council Act*, being chapter 153 of the Revised Statutes of Ontario, 1970, as re-enacted by the Statutes of Ontario, 1979, chapter 76, section 2, is repealed and the following substituted therefor:
 

(1) Every minister of the Crown whose principal residence is outside The Municipality of Metropolitan Toronto shall be paid the actual cost of his accommodation within The Municipality of Metropolitan Toronto not exceeding in any year an amount that is \$1,000 more than the amount determined in respect of the year by the Board of Internal Economy under subsection 7 of section 65 of *The Legislative Assembly Act*.

s. 3a (1),  
re-enacted

Cost of  
accommoda-  
tion in  
Toronto

R.S.O. 1970,  
c. 240
2. This Act shall be deemed to have come into force on the 1st day of April, 1980.
 

Commence-  
ment
3. The short title of this Act is *The Executive Council Amendment Act*, 1980.
 

Short title

# BILL 204

An Act to amend  
The Executive Council Act

*1st Reading*

November 21st, 1980

*2nd Reading*

December 11th, 1980

*3rd Reading*

December 12th, 1980

THE HON. T. L. WELLS  
Minister of Intergovernmental Affairs

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4TH SESSION, 31ST LEGISLATURE, ONTARIO  
29 ELIZABETH II, 1980

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*Registered in House of Commons*

**An Act to amend  
The Denture Therapists Act, 1974**

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THE HON. D. TIMBRELL  
Minister of Health

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TORONTO

PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

#### EXPLANATORY NOTE

The amendment removes the restriction against a member of the Board serving continuously for more than six years.

BILL 205

1980

**An Act to amend  
The Denture Therapists Act, 1974**

**H**ER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

- 1.** Subsection 4 of section 2 of *The Denture Therapists Act, 1974*, being chapter 34, is repealed and the following substituted therefor: s. 2 (4),  
re-enacted

(4) Every member of the Board shall be appointed for a term of one, two or three years and is eligible for reappointment. Term of  
office
- 2.** This Act comes into force on the day it receives Royal Assent. Commence-  
ment
- 3.** The short title of this Act is *The Denture Therapists Amendment Act, 1980*. Short title

An Act to amend  
The Denture Therapists Act, 1974

*1st Reading*

November 21st, 1980

*2nd Reading*

*3rd Reading*

THE HON. D. TIMBRELL  
Minister of Health

*(Government Bill)*

5  
BILL 205

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4TH SESSION, 31ST LEGISLATURE, ONTARIO  
29 ELIZABETH II, 1980

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An Act to amend  
The Denture Therapists Act, 1974

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THE HON. D. TIMBRELL  
Minister of Health

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BILL 205

1980

**An Act to amend  
The Denture Therapists Act, 1974**

**H**ER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. Subsection 4 of section 2 of *The Denture Therapists Act, 1974*, being s. 2 (4),  
re-enacted chapter 34, is repealed and the following substituted therefor:
 

(4) Every member of the Board shall be appointed for a term of Term of  
office one, two or three years and is eligible for reappointment.
2. This Act comes into force on the day it receives Royal Assent. Commence-  
ment
3. The short title of this Act is *The Denture Therapists Amendment Act, 1980*. Short title

# BILL 205

An Act to amend  
The Denture Therapists Act, 1974

## *1st Reading*

November 21st, 1980

## *2nd Reading*

December 11th, 1980

## *3rd Reading*

December 12th, 1980

THE HON. D. TIMBRELL  
Minister of Health

4TH SESSION, 31ST LEGISLATURE, ONTARIO  
29 ELIZABETH II, 1980

An Act to amend  
The Employment Standards Act, 1974

MR. MARTEL



#### EXPLANATORY NOTE

The purpose of the Bill is to prohibit an employer from requiring an employee to work more than five consecutive days without a day of rest.

BILL 206

1980

**An Act to amend  
The Employment Standards Act, 1974**

**H**ER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

- 1.** *The Employment Standards Act, 1974*, being chapter 112, is <sup>s. 22a,</sup> amended by adding thereto the following section: <sub>enacted</sub>

22a. Notwithstanding anything in this Part, an employer shall <sup>Maximum</sup> not require an employee to perform work on more than five <sup>consecutive</sup> consecutive days without a day of rest. <sub>days of work</sub>

- 2.** This Act comes into force on the day it receives Royal Assent. <sub>Commence-  
ment</sub>
- 3.** The short title of this Act is *The Employment Standards Amendment Act, 1980*. <sub>Short title</sub>

BILL 206

An Act to amend  
The Employment Standards Act, 1974

*1st Reading*

November 24th, 1980

*2nd Reading*

*3rd Reading*

MR. MARTEL

*(Private Member's Bill)*

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4TH SESSION, 31ST LEGISLATURE, ONTARIO  
29 ELIZABETH II, 1980

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*Legislative Assembly*

An Act to amend  
The Residential Tenancies Act, 1979

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MR. PHILIP

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#### EXPLANATORY NOTE

The purpose of the Bill is to require a landlord who obtains vacant possession of a rental unit for the purpose of making repairs or renovations to the unit to apply to the Residential Tenancy Commission for an order determining the rent that may be charged for the repaired or renovated unit.



BILL 207

1980

## An Act to amend The Residential Tenancies Act, 1979

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. *The Residential Tenancies Act, 1979*, being chapter 78, is amended s. 131a, enacted by adding thereto the following section:

131a.—(1) Where the tenancy of a tenant is terminated on the ground that the landlord requires possession of the rental unit for the purpose of repairs or renovations under section 103*d* of *The Landlord and Tenant Act* or subsection 1 of section 52 of this Act, the landlord shall not offer the rental unit for rent until the landlord has applied to the Commission for an order under subsection 2 determining the rent that may be charged for the rental unit. Application to Commission R.S.O. 1970, c. 236

(2) Where an application is made by a landlord under section 126, the Commission shall determine the amount of rent for each rental unit that is justified by, Determination of rent for renovated unit

(a) the costs of the repairs or renovations; and

(b) the loss of revenue during the period that the repairs or renovations were carried out.

(3) The rent determined under subsection 2 shall be the rent at which the rental unit is offered, Unit to be offered at established rent

(a) to a tenant who has a right of first refusal under subsection 3 of section 103*d* of *The Landlord and Tenant Act* or subsection 5 of section 52 of this Act; or

(b) where a tenant does not exercise a right of first refusal, to any other person who wishes to rent the unit.

2. This Act comes into force on the day it receives Royal Assent. Commencement

Short title

- 3.** The short title of this Act is *The Residential Tenancies Amendment Act, 1980*.







BILL 207

An Act to amend  
The Residential Tenancies Act, 1979

*1st Reading*

November 24th, 1980

*2nd Reading*

*3rd Reading*

MR. PHILIP

*(Private Member's Bill)*

4TH SESSION, 31ST LEGISLATURE, <sup>1</sup>ONTARIO  
29 ELIZABETH II, 1980 <sup>2</sup>*Legislative Assembly*

**An Act to amend  
The Residential Tenancies Act, 1979**

MR. PHILIP



#### EXPLANATORY NOTE

The purpose of the Bill is to authorize the Residential Tenancy Commission to conduct an inquiry, on its own motion, to determine whether a tenant has paid an amount of rent in excess of the amount permitted under the Act.



BILL 208

1980

## An Act to amend The Residential Tenancies Act, 1979

**H**ER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. Section 129 of *The Residential Tenancies Act, 1979*, being chapter 78, is amended by adding thereto the following subsection: s. 129,  
amended

(3) Despite subsection 2, the Commission may, on its own motion, conduct any inquiry it considers necessary to determine whether a tenant has paid an amount of rent that is in excess of that permitted by this Part and where the Commission determines that an excess amount has been paid, the Commission shall order that the landlord pay the excess to the tenant and shall declare the rent that may lawfully be charged. Inquiry by  
Commission

2. This Act comes into force on the day it receives Royal Assent. Commence-  
ment
3. The short title of this Act is *The Residential Tenancies Amendment Act, 1980*. Short title

BILL 208

An Act to amend  
The Residential Tenancies Act, 1979

*1st Reading*

November 24th, 1980

*2nd Reading*

*3rd Reading*

MR. PHILIP

*(Private Member's Bill)*

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4TH SESSION, 31ST LEGISLATURE, ONTARIO  
29 ELIZABETH II, 1980

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*Legislative Assembly*

**An Act to revise and extend  
Protection of Human Rights in Ontario**

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THE HON. R. G. ELGIE  
Minister of Labour

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## EXPLANATORY NOTES

The Bill is a revision of the Ontario Human Rights Code. The principal changes include:

1. The circumstances under which discrimination is prohibited are extended to include:
  - (a) discrimination in the equal enjoyment of goods, services and facilities generally and not limited to those available in a place to which the public is customarily admitted;
  - (b) discrimination in contracts;
  - (c) discrimination because of a person's association with others;
  - (d) discrimination on a ground that has the result of discrimination because of a prohibited ground;
  - (e) harassment of an occupant of accommodation by the landlord or another occupant because of a prohibited ground;
  - (f) harassment of an employee by the employer or another employee because of a prohibited ground of discrimination;
  - (g) sexual solicitation, reprisal or threat of reprisal by a person in a position of authority.
2. The prohibited grounds of discrimination are extended to include:
  - (a) handicap;
  - (b) marital status with certain exceptions in the case of accommodation;
  - (c) record of offences in the case of employment;
  - (d) age between 18 and 65 years;
  - (e) family with certain exceptions in the case of accommodation;
  - (f) receipt of public assistance in the case of accommodation.
3. Sanctions against discrimination in employment by contractors under Government contracts.
4. Protection in employment is extended to domestic workers.

5. Landlords and employers may be made responsible to prevent harassment of tenants and employees.
6. The Bill would bind the Crown and have primacy over other legislation.
7. The Commission is empowered to recommend the introduction and implementation of affirmative action programs.
8. A Race Relations Division is established with its own Commissioner.
9. Boards of inquiry are required to issue decisions within 30 days of the conclusion of their hearings.
10. Boards of inquiry are empowered to make orders respecting access for the handicapped after a finding of discrimination has been made.
11. Boards of inquiry are empowered to award damages for mental anguish.



BILL 209

1980

## An Act to revise and extend Protection of Human Rights in Ontario

**W**HEREAS recognition of the inherent dignity and the equal Preamble  
and inalienable rights of all members of the human family is  
the foundation of freedom, justice and peace in the world and is in  
accord with the Universal Declaration of Human Rights as  
proclaimed by the United Nations;

AND WHEREAS it is public policy in Ontario to recognize that  
every person is equal in dignity and worth and to provide for equal  
rights and opportunities without discrimination that is contrary to  
law, and having as its aim the creation of a climate of under-  
standing and mutual respect for the dignity and worth of each  
person so that each person feels a part of his community and able  
to contribute fully to the development and well-being of the com-  
munity and the Province;

AND WHEREAS these principles have been confirmed in Ontario  
by a number of enactments of the Legislature and it is desirable to  
revise and extend the protection of human rights in Ontario;

Therefore, Her Majesty, by and with the advice and consent of  
the Legislative Assembly of the Province of Ontario, enacts as  
follows:

### PART I

#### FREEDOM FROM DISCRIMINATION

**1.** Every person has a right to equal treatment in the enjoy- Services  
ment of services, goods and facilities, without discrimination  
because of race, ancestry, place of origin, colour, ethnic origin,  
citizenship, creed, sex, age, marital status, family or handicap.

**2.—(1)** Every person has a right to equal treatment in the Accommoda-  
tion  
occupancy of accommodation, without discrimination because of  
race, ancestry, place of origin, colour, ethnic origin, citizenship,  
creed, sex, age, marital status, family, handicap or the receipt of  
public assistance.

Harassment  
in accom-  
modation

(2) Every person who occupies accommodation has a right to freedom from harassment by the landlord or his agent or by an occupant of the same building because of race, ancestry, place of origin, colour, ethnic origin, citizenship, creed, sex, age, marital status, family, handicap or the receipt of public assistance.

Contracts

3. Every person having legal capacity has a right to contract on equal terms without discrimination because of race, ancestry, place of origin, colour, ethnic origin, citizenship, creed, sex, age, marital status, family or handicap.

Employment

4.—(1) Every person has a right to equal treatment in employment without discrimination because of race, ancestry, place of origin, colour, ethnic origin, citizenship, creed, sex, age, record of offences, marital status, family or handicap.

Harassment  
in  
employment

(2) Every person who is an employee has a right to freedom from harassment by the employer or his agent or by another employee in the workplace because of race, ancestry, place of origin, colour, ethnic origin, citizenship, creed, sex, age, record of offences, marital status, family or handicap.

Vocational  
associations

5. Every person has a right to equal treatment in the enjoyment of membership in any trade union, trade or occupational association or self-governing profession without discrimination because of race, ancestry, place of origin, colour, ethnic origin, citizenship, creed, sex, age, marital status, family or handicap.

Sexual  
solicitation  
by a person  
in authority

6.—(1) Every person has a right to be free from,

- (a) a persistent sexual solicitation or advance made by a person in a position of authority who knows or ought reasonably to know that it is unwelcome; or
- (b) a reprisal or a threat of reprisal by a person in a position of authority for the rejection of a sexual solicitation or advance.

Reprisals

7. Every person has a right to claim and enforce his rights under this Act, to institute and participate in proceedings under this Act and to refuse to infringe a right of another person under this Act, without reprisal or threat of reprisal for so doing.

Infringe-  
ment  
prohibited

8. No person shall infringe or do anything that results, directly or indirectly, in the infringement of a right under this Part.



## PART II

## INTERPRETATION AND APPLICATION

**9. In Part I and in this Part,**Interpre-  
tation

- (a) “age” means an age that is eighteen years or more and less than sixty-five years;
- (b) “because of handicap” means for the reason that the person has or has had, or is believed to have or have had,
  - (i) any degree of physical disability, infirmity, malformation or disfigurement that is caused by bodily injury, birth defect or illness and, without limiting the generality of the foregoing, including epilepsy, any degree of paralysis, amputation, lack of physical co-ordination, blindness or visual impediment, deafness or hearing impediment, muteness or speech impediment, or physical reliance on a dog guide or on a wheelchair or other remedial appliance or device,
  - (ii) a condition of mental retardation or impairment,
  - (iii) a learning disability, or a dysfunction in one or more of the processes involved in understanding or using symbols or spoken language, or
  - (iv) a mental disorder;
- (c) “discrimination” means differentiation resulting in an exclusion, qualification or preference;
- (d) “disseminate” means to communicate or participate in the communication with another, whether directly or indirectly or with or through another, by whatever means;
- (e) “equal” means subject to all requirements, qualifications and considerations that are not a prohibited ground of discrimination;
- (f) “family” means persons in a parent and child relationship;
- (g) “harassment” means engaging in a course of vexatious comment or conduct;

(h) “marital status” means the status of being married, single, widowed, divorced or separated and includes the status of living with a person of the opposite sex in a conjugal relationship outside of marriage;

(i) “record of offences” means a conviction for,

(i) an offence in respect of which a pardon has been granted under the *Criminal Records Act* (Canada) and has not been revoked, or

(ii) an offence in respect of any provincial enactment;

(j) “services” does not include a levy, fee or tax imposed or authorized by law.

R.S.C. 1970,  
c. 12  
(1st Supp.)

Constructive  
discrimin-  
ation

**10.** A right under Part I is infringed where a requirement, qualification or consideration is imposed that is not a prohibited ground of discrimination but that would result in disqualifying a group of persons who are identified in common by a prohibited ground of discrimination, except where,

(a) the requirement, qualification or consideration is a reasonable and *bona fide* one in the circumstances; or

(b) it is declared in this Act that to disqualify a person because of such ground is not an infringement of a right.

Discrimin-  
ation  
because of  
association

**11.** A right under Part I is infringed where the discrimination is because of relationship, association or dealings with a person or persons identified by a prohibited ground of discrimination.

Dissemin-  
ation of  
discrimin-  
atory matter

**12.** A right under Part I is infringed where any matter, statement or symbol is disseminated that indicates an intention to infringe the right or that advocates or incites the infringement of the right.

Mixed  
motives

**13.** A right under Part I is infringed where one of the grounds for the conduct complained of is an infringement of the right, notwithstanding that other grounds for the conduct also exist.

Special  
programs

**14.—(1)** A right under Part I is not infringed by the implementation of a special program designed to relieve hardship or economic disadvantage or to assist disadvantaged persons or groups to achieve or attempt to achieve equal opportunity or that is likely to contribute to the elimination of the infringement of rights under Part I.

Review by  
Commission

(2) The Commission may,

(a) upon its own initiative;

- (b) upon application by a person seeking to implement a special program under the protection of subsection 1; or
- (c) upon a complaint in respect of which the protection of subsection 1 is claimed,

inquire into the special program and, in the discretion of the Commission, may by order declare,

- (d) that the special program, as defined in the order, does not satisfy the requirements of subsection 1; or
- (e) that the special program as defined in the order, with such modifications, if any, as the Commission considers advisable, satisfies the requirements of subsection 1.

(3) A person aggrieved by the making of an order under subsection 2 may request the Commission to reconsider its order and section 31, with necessary modifications, applies. Reconsideration

(4) Subsection 1 does not apply to a special program where an order is made under clause *d* of subsection 2 or where an order is made under clause *e* of subsection 2 with modifications of the special program that are not implemented. Effect of order

(5) Subsection 2 does not apply to a special program implemented by the Crown. Subs. 2 does not apply to Crown

**15.** A right under Part I to non-discrimination because of citizenship is not infringed where Canadian citizenship is a requirement, qualification or consideration, Canadian citizenship

- (a) imposed or authorized by law; or
- (b) adopted for the purpose of fostering and developing participation in cultural, educational, trade union or athletic activities by Canadians.

**16.** A right under Part I to non-discrimination because of handicap is not infringed by discrimination for the reason that in the particular circumstances the handicap renders the particular person incapable of performing the essential duties attending the exercise of the right. Handicap

**17.** The rights under Part I to non-discrimination because of creed shall not be construed to adversely affect any right or privilege respecting separate schools enjoyed by separate school boards or their supporters under *The British North America Act, 1867* and *The Education Act, 1974*. Creed  
1867, c. 3.  
1974, c. 109

**18.—(1)** The right under section 1 to equal treatment in the enjoyment of services and facilities without discrimination Restriction of facilities by sex

because of sex is not infringed where the use of the services or facilities is restricted to persons of the same sex on the ground of public decency.

Special  
interest  
organi-  
zations

(2) The right under section 1 to equal treatment in the enjoyment of services and facilities is not infringed where membership or participation in a religious, philanthropic, educational, fraternal or social organization that is exclusively engaged in serving the interests of persons identified by a prohibited ground of discrimination is restricted to persons who are similarly identified.

Shared  
accommo-  
dation

**19.—**(1) The right under section 2 to equal treatment in the occupancy of residential accommodation without discrimination is not infringed by discrimination where the residential accommodation is in a dwelling in which the owner and his family reside if the occupant or occupants of the residential accommodation are required to share a bathroom or kitchen facility with the owner or his family.

Restrictions  
on accommo-  
dation, sex

(2) The right under section 2 to equal treatment in the occupancy of residential accommodation without discrimination because of sex is not infringed by discrimination on that ground where the occupancy of all the residential accommodation in the building, other than the accommodation, if any, of the owner and his family, is restricted to persons who are of the same sex.

Idem:  
marital  
status

(3) The right under section 2 to equal treatment in the occupancy of residential accommodation without discrimination because of marital status is not infringed by discrimination on that ground where the occupancy is in a building that contains not more than four dwelling units, one of which is occupied by the owner or his family.

Idem:  
family

(4) The right under section 2 to equal treatment in the occupancy of residential accommodation without discrimination because of family is not infringed by discrimination on that ground where the residential accommodation is in a building, or designated part of the building, that contains more than one dwelling unit served by a common entrance and the occupancy of all the residential accommodation in the building or in the designated part of the building is restricted because of family.

Restrictions  
for insurance  
contracts, etc.

**20.** The right under section 3 to contract on equal terms without discrimination because of age, sex, marital status, family or handicap is not infringed where a contract of automobile, life, disability, accident or sickness insurance, or a life annuity, offered or issued to a specified person differentiates or makes a distinction, exclusion or preference on *bona fide* and reasonable grounds because of age, sex, marital status, family or handicap.



**21.—(1)** The right under section 4 to equal treatment in employment is infringed where an application for employment is used or an invitation to apply for employment is disseminated that, directly or indirectly, classifies or indicates qualifications by a prohibited ground of discrimination. Advertising  
for  
employment

(2) The right under section 4 to equal treatment in employment is infringed where employment is denied or made conditional because a term or condition of employment requires enrolment in an employee benefit, pension or superannuation plan or fund or an employee insurance plan or policy that makes a distinction, preference or exclusion on a prohibited ground of discrimination. Employment  
conditional on  
membership in  
pension plan

(3) The right under section 4 to equal treatment in employment without discrimination because of handicap is not infringed, Employee  
disability  
and pension  
plans:  
handicap

(a) where a *bona fide* and reasonable distinction, exclusion or preference is made in an employee disability plan or benefit because of a pre-existing handicap that substantially increases the risk;

(b) where a *bona fide* and reasonable distinction, exclusion or preference is made on the ground of handicap in respect of an employee-pay-all or participant-pay-all benefit in an employee benefit, pension or superannuation plan or fund or an employee insurance plan or policy or in respect of a plan, fund or policy that is offered by an employer to his employees if they are fewer than twenty-five in number.

(4) An employer shall pay to an employee who is excluded from an employee benefit, pension or superannuation plan or fund or an employee insurance plan or policy because of handicap compensation equivalent to the contribution that the employer would make thereto on behalf of an employee who does not have a handicap. Compensation

(5) The right under section 4 to equal treatment in employment is not infringed by an employee superannuation or pension fund or an employee insurance plan that complies with *The Employment Standards Act, 1974* and the regulations thereunder. Pension or  
disability  
plan under  
1974, c. 112

(6) The right under section 4 to equal treatment in employment is not infringed where, Special  
employment

(a) a religious, philanthropic, educational, fraternal or social organization that is exclusively engaged in serving the interests of persons identified by their race, ancestry, place of origin, colour, ethnic origin, creed, sex, age, marital status or handicap employs only, or gives pref-

erence in employment to, persons similarly identified if the qualification is a reasonable and *bona fide* qualification because of the nature of the employment;

(b) a person refuses to employ another for reasons of age, sex, record of offences or marital status if the age, sex, record of offences or marital status of the applicant is a reasonable and *bona fide* qualification because of the nature of the employment; or

(c) a person refuses to employ another for reasons of any prohibited ground of discrimination in section 4, where the primary duty of the employment is attending to the medical or personal needs of a person in a private household.

Applications  
under  
subs. 6

(7) Notwithstanding subsection 6, subsection 1 applies to applications or invitations to apply for employment under subsection 6 and an applicant shall not be refused employment on a ground set out therein except after personal interview.

Discrimin-  
ation in  
employment  
under  
government  
contracts

**22.**—(1) It shall be deemed to be a condition of every contract entered into by or on behalf of the Crown or any agency thereof and of every subcontract entered into in the performance thereof that no right under section 4 will be infringed in the course of performing the contract.

Idem:  
government  
grants  
and loans

(2) It shall be deemed to be a condition of every grant, contribution, loan or guarantee made by or on behalf of the Crown or any agency thereof that no right under section 4 will be infringed in the course of carrying out the purposes for which the grant, contribution, loan or guarantee was made.

Sanction

(3) Where an infringement of a right under section 4 is found by a board of inquiry upon a complaint and constitutes a breach of a condition under this section, the breach of condition is sufficient grounds for cancellation of the contract, grant, contribution, loan or guarantee and refusal to enter into any further contract with or make any further grant, contribution, loan or guarantee to the same person.

### PART III

#### THE ONTARIO HUMAN RIGHTS COMMISSION

Commission  
continued

**23.**—(1) The Ontario Human Rights Commission is continued and shall be composed of such persons, being not fewer than seven, as are appointed by the Lieutenant Governor in Council.

(2) The Lieutenant Governor in Council shall designate a member of the Commission as chairman, and a member as vice-chairman. Chairman

(3) The Lieutenant Governor in Council may fix the remuneration and allowance for expenses of the chairman, vice-chairman and members of the Commission. Remuneration

(4) The employees of the Commission shall be appointed under *The Public Service Act*. Staff  
R.S.O. 1970,  
c. 386

(5) The Commission may authorize any function of the Commission to be performed by a division of the Commission composed of at least three members of the Commission. Divisions

**24.**—(1) The Lieutenant Governor in Council shall designate at least three members of the Commission to constitute a race relations division of the Commission and shall designate one member of the race relations division as Commissioner for Race Relations. Race  
relations  
division

(2) It is the function of the race relations division of the Commission to perform any of the functions of the Commission under clause *f*, *g* or *h* of section 25 relating to race, ancestry, place of origin, colour, ethnic origin or creed that are referred to it by the Commission and any other function referred to it by the Commission. Functions

**25.** It is the function of the Commission, Function of  
Commission

- (a) to forward the policy that every person is equal in dignity and worth and is entitled to equal rights and opportunities without discrimination contrary to law;
- (b) to promote an understanding and acceptance of and compliance with this Act;
- (c) to recommend the introduction and implementation of a special plan or program to encourage the employment of members of a group or class of persons suffering from a historical or chronic disadvantage, and a program recommended under this clause shall be deemed to satisfy the requirements of subsection 1 of section 14;
- (d) to develop and conduct programs of public information and education and direct and encourage research designed to eliminate discriminatory practices that infringe rights under this Act;

- (e) to examine and review any statute or regulation, and any program or policy made by or under a statute and make recommendations on any provision, program or policy, that in its opinion is inconsistent with the intent of this Act;
- (f) to inquire into incidents of and conditions leading or tending to lead to tension or conflict based upon identification by a prohibited ground of discrimination and take appropriate action to eliminate the source of tension or conflict;
- (g) to initiate investigations into problems based upon identification by a prohibited ground of discrimination that may arise in a community, and encourage and co-ordinate plans, programs and activities to reduce or prevent such problems;
- (h) to promote, assist and encourage public, municipal or private agencies, organizations, groups or persons to engage in programs to alleviate tensions and conflicts based upon identification by a prohibited ground of discrimination;
- (i) to enforce this Act and orders of boards of inquiry; and
- (j) to perform the functions assigned to it by this or any other Act.

Evidence  
obtained  
in course  
of  
investigation

**26.—**(1) No person who is a member of the Commission shall be required to give testimony in a civil suit or any proceeding as to information obtained in the course of an investigation under this Act.

Idem

(2) No person who is employed in the administration of this Act shall be required to give testimony in a civil suit or any proceeding other than a proceeding under this Act as to information obtained in the course of an investigation under this Act.

Annual  
report

**27.—**(1) The Commission shall make a report to the Minister not later than the 30th day of June in each year upon the affairs of the Commission during the year ending on the 31st day of March of that year.

Idem

(2) The Minister shall submit the report to the Lieutenant Governor in Council who shall cause the report to be laid before the Assembly if it is in session, or, if not, at the next ensuing session.



## PART IV

## ENFORCEMENT

**28.**—(1) Where a person believes that a right of his under this Act has been infringed, the person may file with the Commission a complaint in a form approved by the Commission. Complaints

(2) The Commission may initiate a complaint by itself or at the request of any person. Idem

- (3) Where two or more complaints, Combining  
of  
complaints
- (a) bring into question a practice of infringement engaged in by the same person; or
  - (b) have questions of law or fact in common,

the Commission may combine the complaints and deal with them in the same proceeding.

**29.**—(1) Subject to section 30, the Commission shall investigate a complaint and endeavour to effect a settlement. Investigation  
of  
complaints

(2) An investigation by the Commission may be made by a member or employee of the Commission who is authorized by the Commission for the purpose. Investigation

- (3) A person investigating a complaint may, without warrant, Powers on  
investigation
- (a) enter any place that is not actually being used as a dwelling, at any reasonable time, for the purpose of investigating the complaint;
  - (b) require the production for inspection and examination of any thing that is or may be relevant to the investigation of the complaint;
  - (c) upon giving a receipt therefor, remove any writings or papers for the purpose of making copies thereof or extracts therefrom and shall promptly return them to the person who produced or furnished them; and
  - (d) question any person on any matter relevant to the complaint and may exclude any other person from being present at the questioning.

(4) Where a justice of the peace is satisfied by evidence upon oath that there is reasonable and probable ground to believe that there is in any place that is being used as a dwelling any thing that will afford evidence relevant to the complaint, he may issue a Search  
warrants

warrant in the prescribed form authorizing a person named in the warrant to enter and search such place for the purposes of exercising the powers under subsection 3 to obtain the evidence, but the entry under the warrant shall be made between sunrise and sunset unless the justice of the peace orders otherwise.

Enlisting  
aid of  
police  
officer

(5) A person investigating a complaint may call upon a police officer to assist him in the exercise of his powers under this section.

Obstructing  
investigation

(6) No person shall hinder, obstruct or interfere with a person who is investigating a complaint in the exercise of a power or the performance of a duty under this Act or withhold from him any thing that is or may be relevant to the investigation of a complaint.

Decision  
to not  
deal with  
complaint

**30.—**(1) Where it appears to the Commission that,

- (a) the complaint is one that could or should be more appropriately dealt with under an Act other than this Act;
- (b) the subject-matter of the complaint is trivial, frivolous, vexatious or made in bad faith;
- (c) the complaint is not within the jurisdiction of the Commission; or
- (d) the facts upon which the complaint is based occurred more than six months before the complaint was filed, unless the Commission is satisfied that the delay was incurred in good faith and no substantial prejudice will result to any person affected by the delay,

the Commission may, in its discretion, decide to not deal with the complaint.

Notice of  
decision  
and  
reasons

(2) Where the Commission decides to not deal with a complaint, it shall advise the complainant in writing of the decision and the reasons therefor and of the procedure under section 31 for having the decision reconsidered.

Application  
for recon-  
sideration

**31.—**(1) The complainant may request the Commission to reconsider its decision to not deal with the complaint by delivering a request in writing to the Commission within thirty days after the complainant is advised of the decision.

Idem

(2) The request shall contain a concise statement of the material facts comprising the complaint and the reasons why an inquiry and order are necessary.

Recon-  
sideration

(3) Upon a request being filed under subsection 1, the Commission shall reconsider its decision in the light of the request.

(4) The decision of the Commission upon reconsideration under this section shall be made within thirty days after the filing of the request and is final and binding. Decision

**32.—**(1) The Minister shall appoint a panel of persons to act as members of boards of inquiry. Panel of members for boards of inquiry

(2) The members of boards of inquiry shall be paid such allowances and expenses as are fixed by the Lieutenant Governor in Council. Remuneration

**33.—**(1) Where the Commission fails to effect a settlement of the complaint and it appears to the Commission that the procedure is appropriate and the evidence warrants an inquiry, the Commission may request the Minister to appoint a board of inquiry and refer the subject-matter of the complaint to the board. Referred to board of inquiry

(2) Where the Commission decides to not request the Minister to appoint a board of inquiry, it shall advise the complainant in writing of the decision and the reasons therefor and of the procedure under section 34 for having the decision reconsidered. Notice of decision not to appoint inquiry

**34.—**(1) The complainant may request the Commission to reconsider its decision to not request the Minister to appoint a board of inquiry by delivering a request in writing to the Commission within thirty days after the complainant is advised of the decision. Application for reconsideration

(2) Upon a request being filed under subsection 1, the Commission shall reconsider its decision in the light of the request after giving the complainant an opportunity to state the complaint in person. Reconsideration

(3) The decision of the Commission upon reconsideration under this section shall be made within thirty days after the filing of the request and is final and binding. Decision

**35.—**(1) Where the Commission requests the Minister to appoint a board of inquiry, the Minister shall appoint from the panel one or more persons to form the board of inquiry and the Minister shall communicate the names of the persons forming the board to the parties to the inquiry. Appointment of board

(2) A member of the board hearing a complaint must not have taken part in any investigation or consideration of the subject-matter of the inquiry before the hearing and shall not communicate directly or indirectly in relation to the subject-matter of the inquiry with any person or with any party or his representative except upon notice to and opportunity for all parties to participate, but the board may seek legal advice from an adviser independent Members at hearing not to have taken part in investigation, etc.

of the parties and in such case the nature of the advice shall be made known to the parties in order that they may make submissions as to the law.

Hearing

**36.**—(1) The board of inquiry shall hold a hearing,

- (a) to determine whether a right of the complainant under this Act has been infringed;
- (b) to determine who infringed the right; and
- (c) to decide upon an appropriate order under section 38,

and the hearing shall be commenced within thirty days after the date on which the members were appointed.

Parties

(2) The parties to a proceeding before a board of inquiry are,

- (a) the Commission, which shall have the carriage of the complaint;
- (b) the complainant;
- (c) any person whom the complainant alleges has infringed the right;
- (d) any person whom the Commission alleges has infringed the right;
- (e) any person appearing to the board of inquiry to have infringed the right;
- (f) where the complaint is of alleged conduct constituting harassment under subsection 2 of section 2 or subsection 2 of section 4, any person who, in the opinion of the board, knew or was in possession of facts from which he ought reasonably to have known of the conduct and who had authority to penalize or prevent the conduct.

Adding parties

(3) A party may be added by the board of inquiry under clause *e* or *f* of subsection 2 at any stage of the proceeding upon such terms as the board considers proper.

Re-ordering of evidence

**37.**—(1) The oral evidence taken before a board at a hearing shall be recorded, and, if so required, copies of a transcript thereof shall be furnished upon the same terms as in the Supreme Court.

Findings of fact

(2) The findings of fact of a board pursuant to a hearing shall be based exclusively on evidence admissible or matters that may be

noticed under sections 15 and 16 of *The Statutory Powers Procedure Act, 1971*. <sup>1971, c. 47</sup>

**38.**—(1) Where the board of inquiry, after a hearing, finds that a right of the complainant under Part I has been infringed and that the infringement is a contravention of section 8 by a party to the proceeding, the board may, by order, <sup>Orders of boards of inquiry</sup>

- (a) direct the party to do anything that, in the opinion of the board, it ought to do to achieve compliance with this Act, both in respect of the complaint and in respect of future practices; and
- (b) direct the party to make restitution, including monetary compensation, for loss arising out of the infringement, and monetary compensation may include an award, not exceeding \$5,000, for mental anguish.

(2) Where a right is infringed and the contravention is on the ground of a handicap, the board, in addition to an order under subsection 1, may make a finding as to whether or not, <sup>Board may make finding</sup>

- (a) access to or use of premises or facilities of the party who is found to be a contravener is obstructed for persons having the handicap of the complainant; or
- (b) the premises or facilities of the party who is found to be a contravener lack amenities appropriate for persons having the handicap of the complainant,

and, when the board makes the finding, the board may, unless the costs occasioned thereby would cause undue hardship and, subject to the regulations, order that the party take such measures as will remove the obstruction or provide the amenities, or any part of them, as are set out in the order.

(3) In addition to the powers conferred by subsection 2, where a right under subsection 1 of section 4 is infringed on the ground of a handicap, the board, in addition to any other order, may make a finding as to whether or not the equipment or the essential duties of the employment could be adapted by the party who is found to be a contravener to meet the needs of the person whose right is infringed and where the board makes the finding, the board may, unless the costs occasioned thereby would cause undue hardship and subject to the regulations, order that the party take such measures as will meet such needs as are set out in the order. <sup>Idem</sup>

(4) Where a right is infringed and the contravention consists of harassment under subsection 2 of section 2 or subsection 2 of <sup>Order to prevent harassment</sup>



section 4, and the board finds that a person who is a party to the proceeding,

(a) knew or was in possession of knowledge from which he ought to have known of the infringement; and

(b) had the authority by reasonably available means to penalize or prevent the conduct and failed to use it,

the board may make an order requiring such person where on future occasions,

(c) he knows or is in possession of facts from which he ought reasonably to know that there is conduct constituting harassment on the same grounds; and

(d) he has authority to penalize or prevent the conduct,

to take whatever sanctions or steps are reasonably available to prevent the continuation or recurrence of the conduct and breach of the order is grounds for a complaint under section 28 and this Part applies to the complaint in the same manner as if the breach were an infringement of a right under this Act.

Decision  
within  
30 days

(5) The board of inquiry shall make its finding and decision within thirty days after the conclusion of its hearing.

Appeal from  
decision of  
board of  
inquiry

**39.**—(1) Any party to a proceeding before a board of inquiry may appeal from a decision or order of the board to the Supreme Court in accordance with the rules of court.

Record to  
be filed  
in court

(2) Where notice of an appeal is served under this section, the board of inquiry shall forthwith file in the Supreme Court the record of the proceedings before it in which the decision or order appealed from was made which, together with a transcript of the oral evidence taken before the board if it is not part of the record of the board, shall constitute the record in the appeal.

Powers  
of court

(3) An appeal under this section may be made on questions of law or fact or both and the court may affirm or reverse the decision or order of the board of inquiry or direct the board to make any decision or order that the board is authorized to make under this Act and the court may substitute its opinion for that of the board.

Settlements

**40.** Where a settlement of a complaint is agreed to in writing, signed by the parties and approved by the Commission, the settlement is binding upon the parties, and a breach of the settlement is grounds for a complaint under section 28, and this Part applies to the complaint in the same manner as if the breach of the settlement were an infringement of a right under this Act.

**41.**—(1) Every person who contravenes section 8, sub-section 6 of section 29, or an order of a board of inquiry, is guilty of an offence and on conviction is liable to a fine of not more than \$25,000. Penalty

(2) No prosecution for an offence under this Act shall be instituted except with the consent in writing of the Attorney General. Consent to prosecution

**42.** For the purposes of this Act, any act or thing done or omitted to be done by an officer, official, employee or agent of a corporation, trade union, trade or occupational association, unincorporated association or employers' organization shall be deemed to be an act or thing done or omitted to be done by the corporation, trade union, trade or occupational association, unincorporated association or employers' organization. Acts of officers, etc.

## PART V

### GENERAL

**43.** In this Act, Interpretation

(a) "Minister" means the member of the Executive Council to whom the administration of this Act is assigned by the Lieutenant Governor in Council;

(b) "Commission" means the Ontario Human Rights Commission;

(c) "person", in addition to the extended meaning given it by *The Interpretation Act*, includes an employment agency, an employers' organization, an unincorporated association, a trade or occupational association, a trade union, a partnership, a municipality and a board of police commissioners established under *The Police Act*. R.S.O. 1970, cc. 225, 351

**44.**—(1) This Act binds the Crown. Act binds Crown

(2) Where a provision in an Act or regulation purports to require or authorize conduct that is a contravention of Part I, this Act applies and prevails unless the Act or regulation specifically provides that it is to apply notwithstanding this Act. Act has primacy over other Acts

(3) Subsection 2 does not apply to an Act or regulation heretofore enacted or made until two years after this Act comes into force. Application

- Regulations      **45.** The Lieutenant Governor in Council may make regulations prescribing criteria or guidelines for boards of inquiry in the making of findings under subsection 2 of section 38.
- Repeals      **46.** The following are repealed:
1. *The Ontario Human Rights Code*, being chapter 318 of the Revised Statutes of Ontario, 1970.
  2. Section 63 of *The Civil Rights Statute Law Amendment Act, 1971*, being chapter 50.
  3. *The Ontario Human Rights Code Amendment Act, 1972*, being chapter 119.
  4. *The Ontario Human Rights Code Amendment Act, 1974*, being chapter 73.
- Commence-  
ment      **47.** This Act comes into force on a day to be named by Proclamation of the Lieutenant Governor.
- Short title      **48.** The short title of this Act is *The Human Rights Code, 1980*.





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An Act to revise and extend Protection  
of Human Rights in Ontario

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*1st Reading*

November 25th, 1980

*2nd Reading*

*3rd Reading*

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THE HON. R. G. ELGIE  
Minister of Labour

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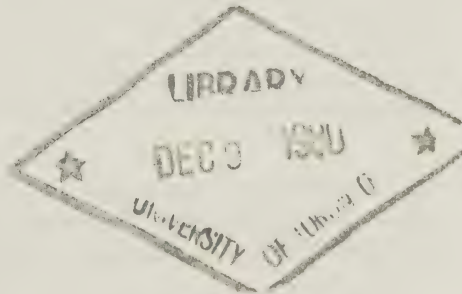
(*Government Bill*)

4TH SESSION, 31ST LEGISLATURE, ONTARIO  
29 ELIZABETH II, 1980

*Legislative Assembly*

An Act to amend The Devolution of Estates Act

THE HON. R. MCMURTRY  
Attorney General



TORONTO

PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

#### EXPLANATORY NOTE

The new provision requires a court order before money can be paid out of an estate in Ontario to a beneficiary in one of certain countries to be designated by regulations. The purpose is to assess whether the property will be unduly depleted before it is received by the beneficiary.

BILL 210

1980

## An Act to amend The Devolution of Estates Act

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. *The Devolution of Estates Act*, being chapter 129 of the Revised Statutes of Ontario, 1970, is amended by adding thereto the following section: s. 24a, enacted

24a.—(1) In this section, “foreign beneficiary” means a beneficiary who is resident in a country designated by regulation made under this section. Interpretation

(2) Where a foreign beneficiary is entitled under a will, an intestacy or an order under Part V of *The Succession Law Reform Act*, 1977 to personal property from the estate of a person who was domiciled in Ontario at the time of his death, No distribution to foreign beneficiary without order  
1977, c. 40

(a) and where the property is in a form other than money and has a value of more than \$5,000, the personal representative of the deceased shall not distribute the property to the foreign beneficiary or his agent, solicitor or assignee until the foreign beneficiary has obtained an order under subsection 3;

(b) and where the property is in the form of money, the money shall be paid into the court having jurisdiction to make an order under subsection 3, to the credit of the foreign beneficiary.

(3) Where, upon application to the court having jurisdiction to grant letters probate in the estate of the deceased, the court is satisfied that, Order authorizing distribution

(a) the foreign beneficiary is entitled to personal property from the estate; and

(b) that the property will not be unduly depleted before it is received by the beneficiary,

the court may by order authorize the distribution of the personal property by a personal representative to the foreign beneficiary and payment out of court to the foreign beneficiary of money paid into court to the credit of the foreign beneficiary.

Release of  
property  
to other  
person  
entitled

(4) Where, upon an application under subsection 2, the court is satisfied that a person other than a foreign beneficiary is entitled to the personal property, the court may by order direct its distribution to the person entitled.

Property  
of foreign  
beneficiary  
held for  
his benefit

(5) Where, upon an application under subsection 2, the court is satisfied that a foreign beneficiary is entitled to personal property from the estate but declines to make the order for the reason that the property will be unduly depleted before it is received by the foreign beneficiary, the property, if money, shall be held in court for the benefit of the beneficiary and, if personal property other than money, shall be held by the personal representative in trust for the benefit of the foreign beneficiary.

Report of  
agent or  
assignee

(6) Every person who receives property in respect of which an order has been made under subsection 3 as agent or solicitor for, or assignee of, a foreign beneficiary shall, within two months after receiving the property, file a report with the Surrogate Clerk for Ontario in such form and containing such information respecting the property as is prescribed by the regulations made under this section.

Report of  
personal  
representa-  
tive

(7) Every personal representative who transfers property directly to a foreign beneficiary shall make and file the report provided for in subsection 6 within two months after the transfer is made.

Penalty

(8) Every person who contravenes subsection 2, 6 or 7 is guilty of an offence and on conviction is liable to a fine of not more than \$2,000.

Idem

(9) Every person who knowingly furnishes false information in a report filed under subsection 6 or 7 is guilty of an offence and on conviction is liable to a fine of not more than \$5,000.

Regulations

(10) The Lieutenant Governor in Council may make regulations,

- (a) designating countries for the purposes of subsection 1;
- (b) prescribing the information that shall be contained in reports under subsections 6 and 7 and prescribing their form.

Application  
of Act

2. This Act does not apply in respect of the estates of deceased persons who died before this Act comes into force.

- 3.** This Act comes into force on the day it receives Royal Assent. Commence-  
ment
- 4.** The short title of this Act is *The Devolution of Estates Amendment Act, 1980*. Short title







An Act to amend  
The Devolution of Estates Act

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*1st Reading*

November 27th, 1980

*2nd Reading*

*3rd Reading*

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THE HON. R. MCMURTRY  
Attorney General

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*(Government Bill)*

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BILL 211

Private Member's Bill

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4TH SESSION, 31ST LEGISLATURE, ONTARIO  
29 ELIZABETH II, 1980

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An Act to amend The Assessment Act

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MR. PHILIP

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TORONTO

PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

#### EXPLANATORY NOTE

The purpose of the Bill is to exempt some home improvements from assessment under *The Assessment Act*. Home improvements are exempt if the improvements do not enlarge the living space of the home and if the cost of materials for the improvements does not exceed \$10,000.

BILL 211

1980

## An Act to amend The Assessment Act

**H**ER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. Section 3 of *The Assessment Act*, being chapter 32 of the Revised Statutes of Ontario, 1970, as amended by the Statutes of Ontario, 1973, chapter 26, section 1 and 1974, chapter 41, section 2, is further amended by adding thereto the following paragraph:
  21. Improvements made to residential premises by an owner, for the period of time that the owner owns the premises, if the improvements do not enlarge the living space and the cost of materials for the improvements does not exceed \$10,000.
2. This Act comes into force on the day it receives Royal Assent.
3. The short title of this Act is *The Assessment Amendment Act, 1980*.

s. 3,  
amendedResidential  
improvementsCommence-  
ment

Short title

An Act to amend The Assessment Act

*1st Reading*

December 1st, 1980

*2nd Reading*

*3rd Reading*

MR. PHILIP

*(Private Member's Bill)*

4TH SESSION, 31ST LEGISLATURE, ONTARIO  
29 ELIZABETH II, 1980

*Legislative Assembly*

An Act to amend The Residential Tenancies Act, 1979

MR. PHILIP



TORONTO

PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

#### EXPLANATORY NOTE

The purpose of the Bill is to revise the manner of calculating interest on rent deposits under *The Residential Tenancies Act, 1979*.



BILL 212

1980

**An Act to amend  
The Residential Tenancies Act, 1979**

**H**ER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

- 1.** Subsection 4 of section 9 of *The Residential Tenancies Act, 1979*, s. 9 (4),  
re-enacted being chapter 78, is repealed and the following substituted therefor:

(4) A landlord shall pay annually to the tenant interest on the Interest rent deposit at a rate of interest equal to the highest interest rate established for the most recent series of Canada Savings Bonds issued before the date of the rent deposit interest payment.

- 2.** This Act comes into force on the day it receives Royal Assent. Commence-  
ment
- 3.** The short title of this Act is *The Residential Tenancies Amendment Act, 1980*. Short title

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## BILL 212

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An Act to amend  
The Residential Tenancies Act, 1979

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*1st Reading*

December 1st, 1980

*2nd Reading*

*3rd Reading*

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MR. PHILIP

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*(Private Member's Bill)*

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4TH SESSION, 31ST LEGISLATURE, ONTARIO  
29 ELIZABETH II, 1980

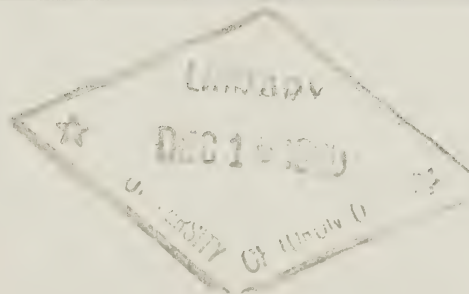
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An Act to amend The Municipal Elections Act, 1977

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MR. FOULDS

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TORONTO

PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

#### EXPLANATORY NOTE

The purpose of the Bill is to change the polling day for municipal elections in Ontario from the second Monday in November to the first Monday in November in an election year. The reason for the change is to avoid any interference by municipal elections with the observance of Remembrance Day.

BILL 213

1980

## An Act to amend The Municipal Elections Act, 1977

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. Subsection 1 of section 11 of *The Municipal Elections Act, 1977*, <sup>s. 11 (1),  
re-enacted</sup> being chapter 62, is repealed and the following substituted therefor:
 

(1) Polling day in a regular election shall be the first Monday in <sup>Polling  
day</sup> November in each election year.
2. This Act comes into force on the day it receives Royal Assent. <sup>Commence-  
ment</sup>
3. The short title of this Act is *The Municipal Elections Amendment Act, 1980*. <sup>Short title</sup>

An Act to amend  
The Municipal Elections Act, 1977

*1st Reading*

December 2nd, 1980

*2nd Reading*

*3rd Reading*

MR. FOULDS

*(Private Member's Bill)*

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4TH SESSION, 31ST LEGISLATURE, ONTARIO  
29 ELIZABETH II, 1980

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An Act to amend The Pension Benefits Act

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THE HON. FRANK DREA  
Minister of Consumer and Commercial Relations

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## EXPLANATORY NOTES

SECTION 1.—Subsection 1. The definition of “Fund” is complementary to section 6 of the Bill.

Subsection 2. Section 1 (1) (*h*) of the Act defines “pension plan” and in so doing sets out certain specified plans that are included in the definition. The reference to one such included plan has been updated to correspond to other legislative changes.

SECTION 2. The Act currently provides for payment to an employee of a lump sum instead of providing a pension where the pension payments would be less than \$10 per month.

This \$10 limit is being changed to \$25.

SECTION 3. Section 23*a* of the Act deals with pension plan contributions in the hands of an employer. These contributions are deemed to be trust funds.

The new subsection 23*a* (1) provides that an employee has a lien for the amount of his contribution until the sum is paid into the plan.

Subsection 23*a* (2) of the Act is unchanged.

The new subsection 23*a* (3) of the Act gives employees a lien for employer's contributions payable in the plan.

The new subsection 23*a* (4) of the Act provides a method for calculating the trust amount.



BILL 214

1980

## An Act to amend The Pension Benefits Act

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

- 1.—(1) Subsection 1 of section 1 of *The Pension Benefits Act*, being chapter 342 of the Revised Statutes of Ontario, 1970, is amended by adding thereto the following clause:

(da) “Fund” means the Pension Benefits Guarantee Fund established by section 25*b*.

- (2) Subclause iv of clause *h* of subsection 1 of the said section 1 is repealed and the following substituted therefor:

(iv) a deferred profit sharing pension plan other than an employee’s profit sharing plan or a deferred profit sharing plan as defined in sections 144 and 147 of the *Income Tax Act* (Canada).

R.S.C. 1952,  
c. 148

2. Clause *b* of subsection 3 of section 21 of the said Act is amended by striking out “\$10” in the fifth line and inserting in lieu thereof “\$25”.

s. 21 (3) (*b*),  
amended

3. Section 23*a* of the said Act, as enacted by the Statutes of Ontario, 1973, chapter 113, section 6, is repealed and the following substituted therefor:

s. 23*a*,  
re-enacted

23*a*.—(1) Where a sum is received by an employer from an employee under an arrangement for the payment of the sum by the employer into a pension plan as the employee’s contribution thereto, the employer shall be deemed to hold the sum in trust for the employee until the sum is paid into the pension plan whether or not the sum has in fact been kept separate and apart by the employer and the employee has a lien upon the assets of the employer for such amount that in the ordinary course of business would be entered in books of account whether so entered or not.

Employee  
contribution  
to pension  
fund is  
trust fund  
in hands of  
employer

(2) For the purposes of subsection 1, any sum withheld by an employer, whether by payroll deduction or otherwise, from

Idem:  
payroll  
deductions

moneys payable to an employee, shall be deemed to be a sum received by the employer from the employee.

Employer's  
contributions  
held in  
trust

(3) Where an employer is required to make contributions to a pension plan, he shall be deemed to hold in trust for the members of the plan an amount calculated in accordance with subsection 4, whether or not,

(a) the employer contributions are payable into the plan under the terms of the plan or this Act; or

(b) the amount has been kept separate and apart by the employer,

and the members have a lien upon the assets of the employer in such amount that in the ordinary course of business would be entered into the books of account whether so entered or not.

Determining  
amount of  
trust funds

(4) For the purpose of determining the amount deemed to be held in trust under subsection 3 on a specific date, the calculation shall be made as if the plan had been wound up on that date.

s. 23*b*,  
amended

4. Section 23*b* of the said Act, as enacted by the Statutes of Ontario, 1973, chapter 113, section 6, is amended by adding thereto the following subsections:

Idem

(6) Every employer shall provide to each member of his registered pension plan such information respecting the member's entitlements under the plan as is prescribed by regulations at least once in every three years or within such shorter time period as is prescribed.

Idem

(7) Upon the written request by a member of a registered pension plan, an employer shall make available to the member such documents and statistical, actuarial and financial information respecting the plan as is prescribed by the regulations in the form and within the time period prescribed.

s. 23*d*,  
enacted

5. The said Act is amended by adding thereto the following section:

Employee  
option on  
termination  
or wind up

23*d*.—(1) Where a pension plan is wound up, in whole or in part, an employee in Ontario whose membership in the plan is terminated and who at the date of termination has been in the service of his employer for a continuous period of ten years or has been a member of the plan for a period of ten years and who has attained the age of forty-five years has the right to elect,

(a) where the employee is eligible under the terms of the plan for an immediate pension, to receive an immediate pension benefit in accordance with the benefit formula of the plan and the terms set out in the plan;

SECTION 4. Section 23*b* of the Act sets out what information is to be provided to employees by employers. The subsections being added expand on this.

SECTION 5. The main features of the new section are as follows:

1. Where a pension plan is wound up, employees are given certain specified options (Subsection 1).
2. Employees are given an option to elect to take a survivorship benefit (Subsection 3).
3. Where notice of termination is given to an employee, the period of the notice is included in calculating pension benefits (Subsection 5).



(b) to receive a pension benefit starting payment at,

- (i) his normal retirement age under the plan, or
- (ii) where the pension plan provided for early retirement with an unreduced pension benefit, the age prior to his normal retirement age at which the employee would have been eligible to receive his pension benefit without reduction, if the plan and his participation in it had continued,

whichever comes first;

- (c) where the pension plan provides for early retirement with a reduced pension benefit, to receive a reduced pension benefit starting payment at any age he would have been entitled to such benefit if the plan and his participation in it had continued;
- (d) to transfer his pension benefit credit to a pension plan of his new employer provided the transfer is accepted by the pension plan of his new employer; or
- (e) to transfer the amount of his pension benefit credit to a registered retirement savings plan.

(2) Where a pension plan is wound up, in whole or in part, all bridging supplements that are excluded from the requirements of clause *a* of subsection 1 of section 21 shall be included for the purpose of calculating the pension benefit of all employees who meet the requirements set out in subsection 1. Bridging supplements included in computation

(3) Where the employee is entitled to a pension benefit under clause *a*, *b* or *c* of subsection 1, and the pension plan does not provide an automatic or optional survivor benefit, the employee shall have the right to elect to receive his pension benefit, the amount of which may be reduced or increased by provision for the payment of an optional annuity to a survivor or to the estate of the employee or by variation of the terms of payment of such annuity to any person after the employee's death. Survivor option

(4) An employee to whom subsection 1 applies shall make his election within three months after the termination or wind up or within three months after the date of a declaration of wind up under section 25, whichever is later, and if no election is made, the employer shall make the election for the employee. Where employee does not elect

(5) Subsections 1, 2 and 3 apply notwithstanding any provision to the contrary contained in the pension plan. Application of subss. 1-3

Notice period  
included in  
calculating  
pension  
benefits  
1974, c. 112

(6) For the purposes of calculating pension benefits on the wind up of a pension plan, the period of notice required to be given to a terminated employee under Part XII of *The Employment Standards Act, 1974* shall be included in computing the employee's length of service with his employer or his time in the plan, as the case may be.

s. 25,  
amended

6.—(1) Section 25 of the said Act is amended by adding thereto the following subsections:

Idem

(1a) The Commission may declare that a defined benefit pension plan is wound up in whole or in part for the purposes of this Act on such date as the Commission in its discretion considers appropriate, where,

R.S.C. 1970,  
c. B-3

(a) the employer providing the plan is bankrupt within the meaning of the *Bankruptcy Act* (Canada);

(b) the plan has been terminated in whole or in part and the employer has failed to meet the funding requirements prescribed;

(c) the plan has been terminated in whole or in part and the Commission is of the opinion that because of his insolvency the employer will not be able to meet the funding obligations prescribed by regulation;

(d) the Commission has reason to believe that the amount of payments that the Fund may be required to guarantee may be expected to increase unreasonably if the plan is not wound up; or

(e) such other event as is prescribed by regulation occurs,

. . . . .

Commission  
as  
administrator

(4) Where a defined benefit pension plan is declared to be wound up in whole or in part by the Commission, the Commission, where it has reason to believe that the assets of the plan are not sufficient to provide full payment of the contributions and pension benefits set out in section 25c, may take control of the assets of the pension plan and act as administrator of the plan for the purpose of the wind up.

s. 25 (2),  
amended

(2) Subsection 2 of the said section 25 is amended by adding at the end thereof "or 1a".

s. 25 (3),  
amended

(3) Subsection 3 of the said section 25 is amended by inserting after "subsection 1" in the second line "or 1a".

SECTION 6.—Subsection 1. Section 25 of the Act now provides that the Commission may, under certain circumstances, declare a pension plan to be wound up. The new provisions empower the Commission to declare a defined benefit pension plan (to be defined in the regulations) to be wound up under any circumstance set out in the proposed subsection 25 (1a) of the Act.

The new subsection 25 (4) of the Act provides that when a defined benefit pension plan is wound up, the Commission may take over the administration of the wind up.

Subsections 2 and 3. These are internal number changes that are complementary to subsection 1.



SECTION 7. The main features of the new sections are as follows:

1. A Pension Guarantee Fund to be administered by the Commission is established (Section 25*b* (1) ).
2. The Lieutenant Governor in Council is authorized to make loans to the Fund (Section 25*b* (3) ).
3. The pension benefits that are guaranteed are set out (Section 25*c*).
4. An employer winding up or amending a defined benefit pension plan is liable for a short fall in the plan's funding (Section 25*d*).
5. Where payment is made from the Fund into a pension plan because there is a short fall in the plan's funding, the Commission has a lien on the assets of the employer (Section 25*e*).
6. No amendment to a pension plan can be made that reduces the value of an employee's pension benefits (Section 25*f*).



7. The said Act is further amended by adding thereto the following sections: ss. 25b-25f, enacted

25b.—(1) There is established a fund to be known as the Pension Benefits Guarantee Fund which shall be administered by the Commission. Fund established

(2) The purpose of the Fund is to guarantee payment of the pension benefits set out in subsection 1 of section 25c where a defined benefit pension plan is wound up under subsection 1a of section 25 subject to such limits and qualifications as are set out in the regulations. Purpose

(3) If, at any time, the amount standing to the credit of the Fund is insufficient for the purpose of making payments for claims under this Act, the Lieutenant Governor in council may authorize the Treasurer of Ontario to make loans out of the Consolidated Revenue Fund to the Fund on such terms and conditions as the Lieutenant Governor in Council directs. Advances or loans to Fund

25c.—(1) The pension benefits of a defined benefit pension plan that is wound up under subsection 1a of section 25 that are guaranteed by the Fund are, Benefits guaranteed

- (a) all pension benefits that must be contractually provided under clause *a* of subsection 1 of section 21 provided in respect of service in Ontario of an employee who, at the date of wind up of the plan, has been in the service of his employer for a continuous period of ten years or has been a member of the plan for a period of ten years and who has attained the age of forty-five years;
- (b) all pension benefits in the course of payment to a retired member of the plan or his survivor or estate or to any person designated by the employee provided in respect of his service in Ontario and any such pension benefits the employee's survivor or estate or any person designated by him may become entitled to;
- (c) all pension benefits that must be contractually provided under clause *a* of subsection 1 of section 21 provided in respect of service in Ontario of a former member of the plan who, at the date of termination of his employment, had been in the service of his employer for a continuous period of ten years or was a member of the plan for a period of ten years and who had attained the age of forty-five years; and
- (d) the value of all employee contributions made to the plan in respect of service in Ontario to the extent that such

value exceeds the value of pension benefits provided to an employee under clause *a*, *b* or *c*.

Inclusion  
of bridging  
supplements  
and elections

(2) For the purpose of subsection 1, “pension benefits” includes bridging supplements, whether or not the bridging supplements have been excluded from the requirements of clause *a* of subsection 1 of section 21 and any pension benefit that the employee has elected to receive under section 23*d*.

Payments  
not  
guaranteed

(3) The payment of,

- (a) a pension benefit provided by a plan that has been in effect for less than three years at the date of termination or wind up; or
- (b) any increase to a pension benefit which increase became effective within three years before the date of termination or wind up,

is not guaranteed by the Fund.

Where a  
defined  
benefit  
pension plan  
discontinued

25*d*. In addition to any amounts the employer is liable to pay under subsection 2 of section 22, where a defined benefit pension plan is terminated or wound up or the plan is amended so that it is no longer a defined benefit pension plan, the employer is liable to the plan for the difference between,

- (a) the value of the assets of the plan; and
- (b) the value of pension benefits guaranteed under subsection 1 of section 25*c* and any other pension benefit vested under the terms of the plan,

and the employer shall make payments to the insurer, trustee or administrator of the pension plan to fund the amount owing in such manner as is prescribed by regulation.

Lien on  
assets

25*e*. Where the Commission pays into a pension plan because the assets of the plan are not sufficient to finance the pension benefits guaranteed under subsection 1 of section 25*c*, the Commission has a lien and charge on the assets of the employer for the amount of the payment and interest thereon and the Commission may enter into an agreement with the employer providing for repayment of the amount advanced together with interest thereon upon such terms and conditions as the Commission considers appropriate.

Amendments  
reducing  
benefits  
prohibited

25*f*. No amendment to a pension plan shall reduce the pension benefit credits accrued to the date of the amendment.



SECTION 8. The new provision clarifies the intent that *The Statutory Powers Procedure Act, 1971* does not apply to decisions of the Commission.

SECTION 9.—Subsection 1. Section 28 of the Act empowers the Lieutenant Governor in Council to make regulations. Clause *ka* is complementary to the new section 23*b* (6).

The remaining clauses added are complementary to sections 5 and 6 of the Bill in respect of the guarantees of pension benefits and provide, among other powers, the authority to set premiums to be paid into the Fund, interest rates to be charged for loans from the Fund and limits of liability. Authority is also given to regulate matters to be reported to the Commission, procedures to be followed, etcetera.

Subsection 2. Regulations made under the Act may be made retroactive in their application.

8. The said Act is further amended by adding thereto the following section: s. 27a,  
enacted

27a. *The Statutory Powers Procedure Act, 1971* does not apply to determinations of the Commission under this Act or the regulations. Non-applica-  
tion of  
1971, c. 47

- 9.—(1) Section 28 of the said Act is amended by adding thereto the following clauses: s. 28,  
amended

(ab) governing defined benefit pension plans and governing the maintenance and administration of the Fund by the Commission including, without limiting the generality of the foregoing, regulations,

- (i) governing the procedures to be followed by employers in reporting to the Commission and prescribing information to be provided in reports,
- (ii) governing the procedures to be followed in making and determining claims from the Fund,
- (iii) prescribing the maximum pension benefits guaranteed by the Fund or prescribing a method of calculating the maximum pension benefits,
- (iv) prescribing the method of calculating the total limit of the Fund's liability,
- (v) prescribing classes of pension plans and exempting any class of plan or any pension plan from any provision of this Act or the regulations,
- (vi) prescribing the interest payable on loans from the Fund to a pension plan,
- (vii) prescribing information to be submitted on the wind up of a pension plan, the person who shall submit the information and the time within which the information is to be submitted,
- (viii) specifying the priorities in allocating assets of a defined benefit pension plan on its wind up,
- (ix) authorizing the Commission to appoint a trustee with investment powers in respect of money in the Fund,

- (x) governing the procedures to be followed by the administrator of a pension plan in the distribution of assets of the plan on winding up,
- (xi) requiring premiums to be paid into the Fund by employers and prescribing the amount of the premiums or the method of calculating the premiums, classifying pension plans and providing for different premiums in respect of different classes of plans,
- (xii) governing assignments or transfers of defined benefit pension plans from one employer to another and setting out the obligations and liabilities of the transferring employer,
- (xiii) governing the termination or wind up of a defined benefit pension plan,
- (xiv) prescribing funding requirements into a plan for purposes of section 25*d* and authorizing the Commission to vary the requirements where financial hardship would result to the employer,
- (xv) prescribing events upon the occurrence of which the Commission may declare a plan wound up under clause *e* of subsection 1*a* of section 25;

. . . . .

- (*ka*) requiring the furnishing of documents and information by employers to members of pension plans and prescribing time limits within which such documents and information are to be furnished;

. . . . .

- (*p*) defining “defined benefit pension plan” and “bridging supplement” for the purposes of this Act and the regulations.

s. 28,  
amended

- (2) The said section 28 is further amended by adding thereto the following subsection:

Retroactive  
regulations

- (2) A regulation made under this Act may be made retroactive in its application.

s. 29,  
amended

- 10.** Section 29 of the said Act, as amended by the Statutes of Ontario, 1973, chapter 133, section 8, is further amended by adding thereto the following subsection:

SECTION 10. Section 29 of the Act is the penalty section.





(4) No proceeding under this section shall be commenced more than two years after the time when the subject-matter of the proceeding arose.

Time limit  
for  
commencing  
proceedings

**11.** This Act shall be deemed to have come into force on the 4th day of December, 1980.

Commence-  
ment

**12.** The short title of this Act is *The Pension Benefits Amendment Act, 1980*.

Short title

BILL 214

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An Act to amend  
The Pension Benefits Act

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*1st Reading*

December 4th, 1980

*2nd Reading*

*3rd Reading*

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THE HON. FRANK DREA  
Minister of Consumer and  
Commercial Relations

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*(Government Bill)*

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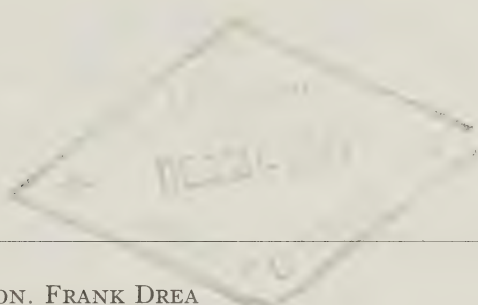
# BILL 214

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4TH SESSION, 31ST LEGISLATURE, ONTARIO  
29 ELIZABETH II, 1980

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## An Act to amend The Pension Benefits Act



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THE HON. FRANK DREA  
Minister of Consumer and Commercial Relations

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BILL 214

1980

## An Act to amend The Pension Benefits Act

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

- 1.—(1) Subsection 1 of section 1 of *The Pension Benefits Act*, being chapter 342 of the Revised Statutes of Ontario, 1970, is amended by adding thereto the following clause:
 

s. 1 (1),  
amended

(da) “Fund” means the Pension Benefits Guarantee Fund established by section 25b.
- (2) Subclause iv of clause h of subsection 1 of the said section 1 is repealed and the following substituted therefor:
 

s. 1 (1) (h) (iv),  
re-enacted

(iv) a deferred profit sharing pension plan other than an employee’s profit sharing plan or a deferred profit sharing plan as defined in sections 144 and 147 of the *Income Tax Act* (Canada).

R.S.C. 1952,  
c. 148
2. Clause b of subsection 3 of section 21 of the said Act is amended by striking out “\$10” in the fifth line and inserting in lieu thereof “\$25”.
 

s. 21 (3) (b),  
amended
3. Section 23a of the said Act, as enacted by the Statutes of Ontario, 1973, chapter 113, section 6, is repealed and the following substituted therefor:
 

s. 23a,  
re-enacted

23a.—(1) Where a sum is received by an employer from an employee under an arrangement for the payment of the sum by the employer into a pension plan as the employee’s contribution thereto, the employer shall be deemed to hold the sum in trust for the employee until the sum is paid into the pension plan whether or not the sum has in fact been kept separate and apart by the employer and the employee has a lien upon the assets of the employer for such amount that in the ordinary course of business would be entered in books of account whether so entered or not.

Employee  
contribution  
to pension  
fund is  
trust fund  
in hands of  
employer

(2) For the purposes of subsection 1, any sum withheld by an employer, whether by payroll deduction or otherwise, from

Idem:  
payroll  
deductions

moneys payable to an employee, shall be deemed to be a sum received by the employer from the employee.

Employer's  
contributions  
held in  
trust

(3) Where an employer is required to make contributions to a pension plan, he shall be deemed to hold in trust for the members of the plan an amount calculated in accordance with subsection 4, whether or not,

(a) the employer contributions are payable into the plan under the terms of the plan or this Act; or

(b) the amount has been kept separate and apart by the employer,

and the members have a lien upon the assets of the employer in such amount that in the ordinary course of business would be entered into the books of account whether so entered or not.

Determining  
amount of  
trust funds

(4) For the purpose of determining the amount deemed to be held in trust under subsection 3 on a specific date, the calculation shall be made as if the plan had been wound up on that date.

s. 23b,  
amended

4. Section 23b of the said Act, as enacted by the Statutes of Ontario, 1973, chapter 113, section 6, is amended by adding thereto the following subsections:

Idem

(6) Every employer shall provide to each member of his registered pension plan such information respecting the member's entitlements under the plan as is prescribed by regulations at least once in every three years or within such shorter time period as is prescribed.

Idem

(7) Upon the written request by a member of a registered pension plan, an employer shall make available to the member such documents and statistical, actuarial and financial information respecting the plan as is prescribed by the regulations in the form and within the time period prescribed.

s. 23d,  
enacted

5. The said Act is amended by adding thereto the following section:

Employee  
option on  
termination  
or wind up

23d.—(1) Where a pension plan is wound up, in whole or in part, an employee in Ontario whose membership in the plan is terminated and who at the date of termination has been in the service of his employer for a continuous period of ten years or has been a member of the plan for a period of ten years and who has attained the age of forty-five years has the right to elect,

(a) where the employee is eligible under the terms of the plan for an immediate pension, to receive an immediate pension benefit in accordance with the benefit formula of the plan and the terms set out in the plan;

- (b) to receive a pension benefit starting payment at,
- (i) his normal retirement age under the plan, or
  - (ii) where the pension plan provided for early retirement with an unreduced pension benefit, the age prior to his normal retirement age at which the employee would have been eligible to receive his pension benefit without reduction, if the plan and his participation in it had continued,

whichever comes first;

- (c) where the pension plan provides for early retirement with a reduced pension benefit, to receive a reduced pension benefit starting payment at any age he would have been entitled to such benefit if the plan and his participation in it had continued;
- (d) to transfer his pension benefit credit to a pension plan of his new employer provided the transfer is accepted by the pension plan of his new employer; or
- (e) to transfer the amount of his pension benefit credit to a registered retirement savings plan.

(2) Where a pension plan is wound up, in whole or in part, all bridging supplements that are excluded from the requirements of clause *a* of subsection 1 of section 21 shall be included for the purpose of calculating the pension benefit of all employees who meet the requirements set out in subsection 1.

(3) Where the employee is entitled to a pension benefit under clause *a*, *b* or *c* of subsection 1, and the pension plan does not provide an automatic or optional survivor benefit, the employee shall have the right to elect to receive his pension benefit, the amount of which may be reduced or increased by provision for the payment of an optional annuity to a survivor or to the estate of the employee or by variation of the terms of payment of such annuity to any person after the employee's death.

(4) An employee to whom subsection 1 applies shall make his election within three months after the termination or wind up or within three months after the date of a declaration of wind up under section 25, whichever is later, and if no election is made, the employer shall make the election for the employee.

(5) Subsections 1, 2 and 3 apply notwithstanding any provision to the contrary contained in the pension plan.

Bridging  
supplements  
included in  
computation

Survivor  
option

Where  
employee  
does not  
elect

Application  
of  
subss. 1-3



Notice period  
included in  
calculating  
pension  
benefits  
1974, c. 112

(6) For the purposes of calculating pension benefits on the wind up of a pension plan, the period of notice required to be given to a terminated employee under Part XII of *The Employment Standards Act, 1974* shall be included in computing the employee's length of service with his employer or his time in the plan, as the case may be.

s. 25,  
amended

6.—(1) Section 25 of the said Act is amended by adding thereto the following subsections:

Idem

(1a) The Commission may declare that a defined benefit pension plan is wound up in whole or in part for the purposes of this Act on such date as the Commission in its discretion considers appropriate, where,

R.S.C. 1970,  
c. B-3

(a) the employer providing the plan is bankrupt within the meaning of the *Bankruptcy Act* (Canada);

(b) the plan has been terminated in whole or in part and the employer has failed to meet the funding requirements prescribed;

(c) the plan has been terminated in whole or in part and the Commission is of the opinion that because of his insolvency the employer will not be able to meet the funding obligations prescribed by regulation;

(d) the Commission has reason to believe that the amount of payments that the Fund may be required to guarantee may be expected to increase unreasonably if the plan is not wound up; or

(e) such other event as is prescribed by regulation occurs,

Commission  
as  
administrator

(4) Where a defined benefit pension plan is declared to be wound up in whole or in part by the Commission, the Commission, where it has reason to believe that the assets of the plan are not sufficient to provide full payment of the contributions and pension benefits set out in section 25c, may take control of the assets of the pension plan and act as administrator of the plan for the purpose of the wind up.

s. 25 (2),  
amended

(2) Subsection 2 of the said section 25 is amended by adding at the end thereof "or 1a".

s. 25 (3),  
amended

(3) Subsection 3 of the said section 25 is amended by inserting after "subsection 1" in the second line "or 1a".



7. The said Act is further amended by adding thereto the following sections: ss. 25b-25f. enacted

25b.—(1) There is established a fund to be known as the Pension Benefits Guarantee Fund which shall be administered by the Commission. Fund established

(2) The purpose of the Fund is to guarantee payment of the pension benefits set out in subsection 1 of section 25c where a defined benefit pension plan is wound up under subsection 1a of section 25 subject to such limits and qualifications as are set out in the regulations. Purpose

(3) If, at any time, the amount standing to the credit of the Fund is insufficient for the purpose of making payments for claims under this Act, the Lieutenant Governor in council may authorize the Treasurer of Ontario to make loans out of the Consolidated Revenue Fund to the Fund on such terms and conditions as the Lieutenant Governor in Council directs. Advances or loans to Fund

25c.—(1) The pension benefits of a defined benefit pension plan that is wound up under subsection 1a of section 25 that are guaranteed by the Fund are, Benefits guaranteed

- (a) all pension benefits that must be contractually provided under clause *a* of subsection 1 of section 21 provided in respect of service in Ontario of an employee who, at the date of wind up of the plan, has been in the service of his employer for a continuous period of ten years or has been a member of the plan for a period of ten years and who has attained the age of forty-five years;
- (b) all pension benefits in the course of payment to a retired member of the plan or his survivor or estate or to any person designated by the employee provided in respect of his service in Ontario and any such pension benefits the employee's survivor or estate or any person designated by him may become entitled to;
- (c) all pension benefits that must be contractually provided under clause *a* of subsection 1 of section 21 provided in respect of service in Ontario of a former member of the plan who, at the date of termination of his employment, had been in the service of his employer for a continuous period of ten years or was a member of the plan for a period of ten years and who had attained the age of forty-five years; and
- (d) the value of all employee contributions made to the plan in respect of service in Ontario to the extent that such

value exceeds the value of pension benefits provided to an employee under clause *a*, *b* or *c*.

Inclusion  
of bridging  
supplements  
and elections

(2) For the purpose of subsection 1, “pension benefits” includes bridging supplements, whether or not the bridging supplements have been excluded from the requirements of clause *a* of subsection 1 of section 21 and any pension benefit that the employee has elected to receive under section 23*d*.

Payments  
not  
guaranteed

(3) The payment of,

- (a) a pension benefit provided by a plan that has been in effect for less than three years at the date of termination or wind up; or
- (b) any increase to a pension benefit which increase became effective within three years before the date of termination or wind up,

is not guaranteed by the Fund.

Where a  
defined  
benefit  
pension plan  
discontinued

25*d*. In addition to any amounts the employer is liable to pay under subsection 2 of section 22, where a defined benefit pension plan is terminated or wound up or the plan is amended so that it is no longer a defined benefit pension plan, the employer is liable to the plan for the difference between,

- (a) the value of the assets of the plan; and
- (b) the value of pension benefits guaranteed under subsection 1 of section 25*c* and any other pension benefit vested under the terms of the plan,

and the employer shall make payments to the insurer, trustee or administrator of the pension plan to fund the amount owing in such manner as is prescribed by regulation.

Lien on  
assets

25*e*. Where the Commission pays into a pension plan because the assets of the plan are not sufficient to finance the pension benefits guaranteed under subsection 1 of section 25*c*, the Commission has a lien and charge on the assets of the employer for the amount of the payment and interest thereon and the Commission may enter into an agreement with the employer providing for repayment of the amount advanced together with interest thereon upon such terms and conditions as the Commission considers appropriate.

Amendments  
reducing  
benefits  
prohibited

25*f*. No amendment to a pension plan shall reduce the pension benefit credits accrued to the date of the amendment.

8. The said Act is further amended by adding thereto the following section: s. 27a,  
enacted

*27a. The Statutory Powers Procedure Act, 1971* does not apply to determinations of the Commission under this Act or the regulations. Non-applica-  
tion of  
1971, c. 47

- 9.—(1) Section 28 of the said Act is amended by adding thereto the following clauses: s. 28,  
amended

- (ab) governing defined benefit pension plans and governing the maintenance and administration of the Fund by the Commission including, without limiting the generality of the foregoing, regulations,
- (i) governing the procedures to be followed by employers in reporting to the Commission and prescribing information to be provided in reports,
  - (ii) governing the procedures to be followed in making and determining claims from the Fund,
  - (iii) prescribing the maximum pension benefits guaranteed by the Fund or prescribing a method of calculating the maximum pension benefits,
  - (iv) prescribing the method of calculating the total limit of the Fund's liability,
  - (v) prescribing classes of pension plans and exempting any class of plan or any pension plan from any provision of this Act or the regulations,
  - (vi) prescribing the interest payable on loans from the Fund to a pension plan,
  - (vii) prescribing information to be submitted on the wind up of a pension plan, the person who shall submit the information and the time within which the information is to be submitted,
  - (viii) specifying the priorities in allocating assets of a defined benefit pension plan on its wind up,
  - (ix) authorizing the Commission to appoint a trustee with investment powers in respect of money in the Fund,

- (x) governing the procedures to be followed by the administrator of a pension plan in the distribution of assets of the plan on winding up,
- (xi) requiring premiums to be paid into the Fund by employers and prescribing the amount of the premiums or the method of calculating the premiums, classifying pension plans and providing for different premiums in respect of different classes of plans,
- (xii) governing assignments or transfers of defined benefit pension plans from one employer to another and setting out the obligations and liabilities of the transferring employer,
- (xiii) governing the termination or wind up of a defined benefit pension plan,
- (xiv) prescribing funding requirements into a plan for purposes of section 25*d* and authorizing the Commission to vary the requirements where financial hardship would result to the employer,
- (xv) prescribing events upon the occurrence of which the Commission may declare a plan wound up under clause *e* of subsection 1*a* of section 25;

. . . . .

- (*ka*) requiring the furnishing of documents and information by employers to members of pension plans and prescribing time limits within which such documents and information are to be furnished;

. . . . .

- (*p*) defining “defined benefit pension plan” and “bridging supplement” for the purposes of this Act and the regulations.

s. 28,  
amended

- (2) The said section 28 is further amended by adding thereto the following subsection:

Retroactive  
regulations

- (2) A regulation made under this Act may be made retroactive in its application.

s. 29,  
amended

- 10.** Section 29 of the said Act, as amended by the Statutes of Ontario, 1973, chapter 133, section 8, is further amended by adding thereto the following subsection:

(4) No proceeding under this section shall be commenced more than two years after the time when the subject-matter of the proceeding arose. Time limit for commencing proceedings

- 11.** This Act shall be deemed to have come into force on the 4th day of December, 1980. Commencement
- 12.** The short title of this Act is *The Pension Benefits Amendment Act, 1980*. Short title

An Act to amend  
The Pension Benefits Act

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*1st Reading*

December 4th, 1980

*2nd Reading*

December 11th, 1980

*3rd Reading*

December 12th, 1980

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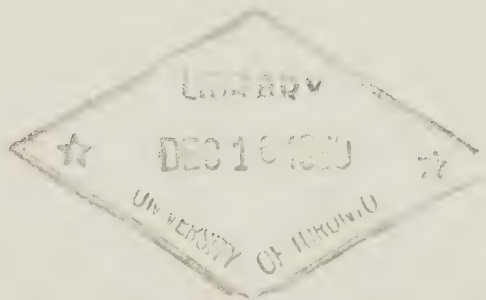
THE HON. FRANK DREA  
Minister of Consumer and  
Commercial Relations

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4TH SESSION, 31ST LEGISLATURE, ONTARIO  
29 ELIZABETH II, 1980

An Act to amend  
The Wine Content Act, 1976

THE HON. FRANK DREA  
Minister of Consumer and Commercial Relations



TORONTO

PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO



#### EXPLANATORY NOTE

Currently, the Act provides that a certain prescribed quota of imported grapes or wine may be used by a licensed manufacturer when making Ontario wine. This applies until the 31st day of December, 1981 after which date no imported grapes or wine may be used. The amendment changes the date to the 31st day of August, 1984.



BILL 215

1980

**An Act to amend  
The Wine Content Act, 1976**

**H**ER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. Subsection 2 of section 1 of *The Wine Content Act, 1976*, being chapter 78, is amended by striking out "the 31st day of December, 1981" in the second line and inserting in lieu thereof "the 31st day of August, 1984". s. 1 (2),  
amended
2. This Act comes into force on the day it receives Royal Assent. Commence-  
ment
3. The short title of this Act is *The Wine Content Amendment Act, 1980*. Short title

An Act to amend  
The Wine Content Act, 1976

*1st Reading*

December 5th, 1980

*2nd Reading*

*3rd Reading*

THE HON. FRANK DREA  
Minister of Consumer and  
Commercial Relations

*(Government Bill)*

# BILL 215

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4TH SESSION, 31ST LEGISLATURE, ONTARIO  
29 ELIZABETH II, 1980

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## An Act to amend The Wine Content Act, 1976

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THE HON. FRANK DREA  
Minister of Consumer and Commercial Relations

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BILL 215

1980

**An Act to amend  
The Wine Content Act, 1976**

**H**ER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. Subsection 2 of section 1 of *The Wine Content Act, 1976*, being <sup>s. 1 (2),</sup> chapter 78, is amended by striking out "the 31st day of December, 1981" in the second line and inserting in lieu thereof "the 31st day of August, 1984". <sup>amended</sup>
2. This Act comes into force on the day it receives Royal Assent. <sup>Commence-  
ment</sup>
3. The short title of this Act is *The Wine Content Amendment Act, 1980*. <sup>Short title</sup>

An Act to amend  
The Wine Content Act, 1976

---

*1st Reading*

December 5th, 1980

*2nd Reading*

December 11th, 1980

*3rd Reading*

December 12th, 1980

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THE HON. FRANK DREA  
Minister of Consumer and  
Commercial Relations

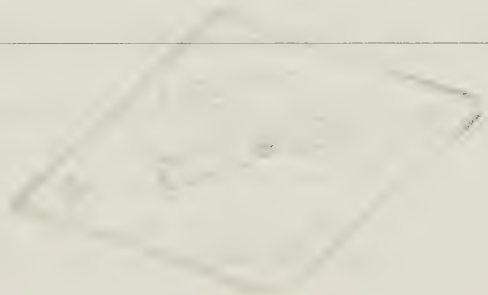
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4TH SESSION, 31ST LEGISLATURE, ONTARIO  
29 ELIZABETH II, 1980

*Legislative Assembly*

An Act to amend The Farm Products Payments Act

THE HON. L. C. HENDERSON  
Minister of Agriculture and Food



#### EXPLANATORY NOTES

SECTION 1. Section 3 of the Act sets out the circumstances in which a producer may apply for payment from a fund. The new subsection provides that a producer is not entitled to payment from a fund in the circumstances set out.

SECTION 2. Section 7 of the Act provides grounds for the suspension or revocation of or the refusal to issue or renew a licence under certain Acts listed in the section.

The addition of *The Live Stock and Live Stock Products Act* is complementary to amendments to that Act enacted by the Statutes of Ontario, 1980, chapter 5.

SECTION 3. Section 8 of the Act authorizes the Lieutenant Governor in Council to make regulations.

The amendment enlarges the authority to make regulations.



BILL 216

1980

## An Act to amend The Farm Products Payments Act

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. Section 3 of *The Farm Products Payments Act*, being chapter 163 of the Revised Statutes of Ontario, 1970, is amended by adding thereto the following subsection:

(2) Notwithstanding subsection 1, a producer is not entitled to payment from a fund under clause *a* of subsection 1 where the regulations provide that clause *a* of subsection 1 does not apply in respect of that fund. s. 3,  
amended  
  
Producer  
not  
entitled  
to pay-  
ment

2. Section 7 of the said Act, as re-enacted by the Statutes of Ontario, 1977, chapter 25, section 4, is amended by adding thereto the following paragraph: s. 7,  
amended

2a. *The Livestock and Live Stock Products Act.*

R.S.O. 1970,  
c. 251

3. Section 8 of the said Act, as amended by the Statutes of Ontario, 1977, chapter 25, section 5, is further amended by adding thereto the following clauses: s. 8,  
amended

(ca) exempting any class or classes of producers from the application of this Act or the regulations, or any part thereof;

(cb) prescribing conditions for the exemption of any class or classes of dealers or producers;

(da) providing that clause *a* of subsection 1 of section 3 does not apply in respect of a fund;

(db) prescribing additional conditions to those referred to in subsection 1 of section 3 under which a producer may

apply for payment from a fund and providing for such applications and for payments from the fund.

Payment  
authorized

**4.—**(1) The Ontario Egg Producers' Marketing Board is authorized to make payments to producers of eggs in Ontario who are creditors of C.B. Whyte and Son Foods Limited in respect of eggs sold to C.B. Whyte and Son Foods Limited on or before the 7th day of March, 1980.

Idem

(2) Payments referred to in subsection 1 may be made from licence fees, service charges and other moneys payable to The Ontario Egg Producers' Marketing Board and shall not exceed, in the aggregate, \$250,000.

Commence-  
ment

**5.** This Act comes into force on the day it receives Royal Assent.

Short title

**6.** The short title of this Act is *The Farm Products Payments Amendment Act, 1980*.

SECTION 4. The Ontario Egg Producers' Marketing Board is authorized to make payments to producers described in the section.





# BILL 216

An Act to amend  
The Farm Products Payments Act

*1st Reading*

December 5th, 1980

*2nd Reading*

*3rd Reading*

THE HON. L. C. HENDERSON  
Minister of Agriculture and Food

*(Government Bill)*

# BILL 216

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4TH SESSION, 31ST LEGISLATURE, ONTARIO  
29 ELIZABETH II, 1980 *Special Session*

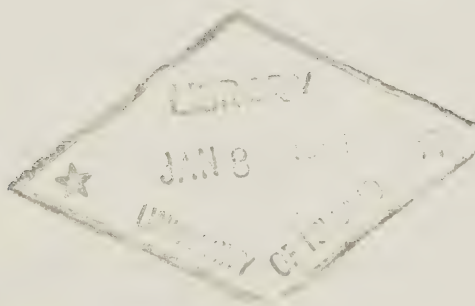
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## An Act to amend The Farm Products Payments Act

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THE HON. L. C. HENDERSON  
Minister of Agriculture and Food

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BILL 216

1980

## An Act to amend The Farm Products Payments Act

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. Section 3 of *The Farm Products Payments Act*, being chapter 163 of the Revised Statutes of Ontario, 1970, is amended by adding thereto the following subsection: s. 3,  
amended

(2) Notwithstanding subsection 1, a producer is not entitled to payment from a fund under clause *a* of subsection 1 where the regulations provide that clause *a* of subsection 1 does not apply in respect of that fund. Producer  
not  
entitled  
to pay-  
ment

2. Section 7 of the said Act, as re-enacted by the Statutes of Ontario, 1977, chapter 25, section 4, is amended by adding thereto the following paragraph: s. 7,  
amended

2a. *The Livestock and Live Stock Products Act.*

R.S.O. 1970,  
c. 251

3. Section 8 of the said Act, as amended by the Statutes of Ontario, 1977, chapter 25, section 5, is further amended by adding thereto the following clauses: s. 8,  
amended

(ca) exempting any class or classes of producers from the application of this Act or the regulations, or any part thereof;

(cb) prescribing conditions for the exemption of any class or classes of dealers or producers;

(da) providing that clause *a* of subsection 1 of section 3 does not apply in respect of a fund;

(db) prescribing additional conditions to those referred to in subsection 1 of section 3 under which a producer may

apply for payment from a fund and providing for such applications and for payments from the fund.

Payment  
authorized

- 4.**—(1) The Ontario Egg Producers' Marketing Board is authorized to make payments to producers of eggs in Ontario who are creditors of C.B. Whyte and Son Foods Limited in respect of eggs sold to C.B. Whyte and Son Foods Limited on or before the 7th day of March, 1980.

Idem

- (2) Payments referred to in subsection 1 may be made from licence fees, service charges and other moneys payable to The Ontario Egg Producers' Marketing Board and shall not exceed, in the aggregate, \$250,000.

Commence-  
ment

- 5.** This Act comes into force on the day it receives Royal Assent.

Short title

- 6.** The short title of this Act is *The Farm Products Payments Amendment Act, 1980*.







An Act to amend  
The Farm Products Payments Act

*1st Reading*

December 5th, 1980

*2nd Reading*

December 11th, 1980

*3rd Reading*

December 12th, 1980

THE HON. L. C. HENDERSON  
Minister of Agriculture and Food

3  
BILL 217

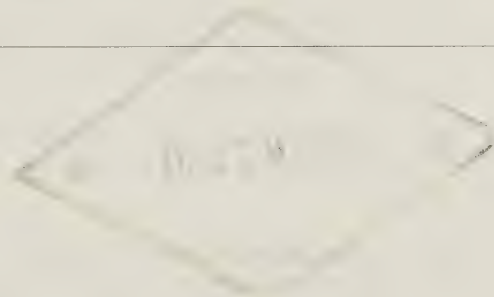
Private Member's Bill

4TH SESSION, 31ST LEGISLATURE, ONTARIO  
29 ELIZABETH II, 1980

*Legislative Assembly*

An Act to amend The Highway Traffic Act

MR. FOULDS



TORONTO

PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

#### EXPLANATORY NOTE

The purpose of the Bill is to permit the Minister of Transportation and Communications and the Registrar of Motor Vehicles to waive any of the qualifications for a Class A, B, C, D, E or F driver's licence where the Minister or the Registrar is satisfied that the person requesting the waiver can safely drive the type of motor vehicle authorized to be driven by the licence. The Bill requires that the Minister and the Registrar give consideration to submissions made to them by a person seeking the waiver of a qualification. The Bill also provides that any withdrawal of a Class A, B, C, D, E or F licence is deemed to be the cancellation of a licence and an appeal from the decision lies to the Licence Suspension Appeal Board.



BILL 217

1980

## An Act to amend The Highway Traffic Act

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. Section 13 of *The Highway Traffic Act*, being chapter 202 of the Revised Statutes of Ontario, 1970, as re-enacted by the Statutes of Ontario, 1973, chapter 167, section 4, and amended by the Statutes of Ontario, 1974, chapter 123, section 3, 1977, chapter 54, section 1, 1978, chapter 24, section 2, and 1978, chapter 90, section 1, is further amended by adding thereto the following subsection:
 

s. 13,  
amended

(2b) Notwithstanding subsection 2, the Minister may waive any of the qualifications set out in the regulations for a Class A, B, C, D, E or F driver's licence where the Minister is satisfied that the applicant or holder of the licence can safely drive a motor vehicle in the class authorized to be driven by the licence and for this purpose, the Minister shall give consideration to any medical or other information submitted to the Minister by a person who requests the waiver of a qualification.
 

Waiver of  
qualifications

2. Section 27 of the said Act, as amended by the Statutes of Ontario, 1978, chapter 16, section 1, is further amended by adding thereto the following subsection:
 

s. 27,  
amended

(1a) Subject to the approval of the Minister, the Registrar may waive any of the qualifications set out in the regulations for a Class A, B, C, D, E or F driver's licence where the Registrar is satisfied that the holder of the licence can safely drive a motor vehicle in the class authorized to be driven by the licence and for this purpose, the Registrar shall give consideration to any medical or other information or personal representations sent or made to the Registrar by a person who requests the waiver of a qualification.
 

Waiver of  
qualifications

3. Section 29 of the said Act is amended by adding thereto the following subsections:
 

s. 29,  
amended

(1a) Any withdrawal of a Class A, B, C, D, E or F licence shall be deemed to be a cancellation of a licence and an appeal from the
 

Appeal

decision to withdraw the licence lies to the Licence Suspension Appeal Board under this section.

Reinstate-  
ment of  
licence

(1b) The Board may confirm the decision to withdraw a licence referred to in subsection 1a or, where the Board is satisfied that the appellant can safely drive a motor vehicle in the class authorized to be driven by the licence, the Board may waive any of the qualifications set out in the regulations and reinstate the licence subject to such terms and conditions as the Board considers appropriate.

Commence-  
ment

**4.** This Act comes into force on the day it receives Royal Assent.

Short title

**5.** The short title of this Act is *The Highway Traffic Amendment Act, 1980*.







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An Act to amend  
The Highway Traffic Act

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*1st Reading*

December 5th, 1980

*2nd Reading*

*3rd Reading*

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MR. FOULDS

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*(Private Member's Bill)*

Government  
22-11-80

BILL 218

Private Member's Bill

4TH SESSION, 31ST LEGISLATURE, ONTARIO  
29 ELIZABETH II, 1980

*Legislature*

An Act to amend The Nursing Homes Act, 1972

MR. WARNER



TORONTO

PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

#### EXPLANATORY NOTE

The purpose of the Bill is to establish statutory fire safety requirements for nursing homes. The Bill requires the licensee of a nursing home to ensure that each room in the home is equipped with a heat and smoke activated fire detection device, a warning light and a sprinkler system. The Bill also requires that fire safety and fire evacuation procedures be developed for each nursing home. Members of the staff of the nursing home are required to be trained in these procedures and residents of the home are required to be provided with information setting out the procedures to be followed in case of a fire.



BILL 218

1980

## An Act to amend The Nursing Homes Act, 1972

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. *The Nursing Homes Act, 1972*, being chapter 11, is amended by ss. 16a, 16b, adding thereto the following sections: enacted

16a.—(1) A licensee shall ensure that a heat and smoke activated fire detection device is installed in every room in a nursing home and that each device is connected to an automatic door closing apparatus, a firm alarm system within the building and an alarm system at the nearest fire department. Fire detection devices

(2) A licensee shall ensure that each heat activated fire detection device, when activated, also activates a warning light outside each room and at the nursing station and main annunciator panel of the nursing home. Warning light

(3) A licensee shall ensure that a sprinkler system is installed in each room in the nursing home. Sprinkler system

16b.—(1) Each member of the staff of a nursing home shall be trained in fire safety procedures, including the use of fire blankets and fire hoses, and this training shall occur under the supervision of representatives from the local fire department. Fire safety procedures

(2) A licensee shall ensure that fire evacuation procedures are developed for the nursing home and that the procedures are practised at least twice during each year in co-operation with representatives of a local fire department, police department, ambulance service and public hospital. Fire evacuation procedures

(3) Each resident shall be provided with a booklet setting out in plain language and containing easily comprehensible diagrams the procedures to be followed in the nursing home if a fire occurs. Booklet

Commence-  
ment

**2.** This Act comes into force on the day it receives Royal Assent.

Short title

**3.** The short title of this Act is *The Nursing Homes Amendment Act, 1980*.







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## BILL 218

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An Act to amend  
The Nursing Homes Act, 1972

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*1st Reading*

December 8th, 1980

*2nd Reading*

*3rd Reading*

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MR. WARNER

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*(Private Member's Bill)*

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4TH SESSION, 31ST LEGISLATURE, ONTARIO  
29 ELIZABETH II, 1980  
*Legislative Assembly*

An Act respecting  
Representation in the Legislative Assembly of Ontario

MR. BREAGH



TORONTO

PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

#### EXPLANATORY NOTE

The purpose of the Bill is to increase the number of members in the Legislative Assembly of Ontario from one hundred and twenty-five to one hundred and eighty. The Bill provides for the establishment of a Select Committee of the Assembly to consider and make recommendations concerning electoral districts for Ontario.



BILL 219

1980

## An Act respecting Representation in the Legislative Assembly of Ontario

**H**ER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

**1.** The boundaries of every territorial district, county, city, town, village, township, improvement district, borough, district municipality, regional municipality and ward in any municipality shall for the purposes of this Act be deemed to be the boundaries of such territorial district, county, city, town, village, township, improvement district, borough, district municipality, regional municipality and ward as defined by statute, by-law, proclamation or other lawful authority on the 1st day of December, 1980.

Boundaries

**2.—(1)** The Legislative Assembly of Ontario shall consist of one hundred and eighty members.

Number of  
members

**(2)** One member shall be returned to the Assembly for each electoral district.

One member  
per electoral  
district

**3.—(1)** A Select Committee of the Assembly, to be known as the Select Committee on Electoral Districts, shall be appointed to consider and make recommendations concerning electoral districts for Ontario and the Select Committee shall report its recommendations to the Assembly.

Select  
Committee  
on electoral  
districts

**(2)** After considering the report of the Select Committee on Electoral Districts, the Assembly may, by resolution, establish electoral districts for Ontario and the list of electoral districts adopted by resolution shall be deemed to have been enacted as a Schedule to this Act.

Establishment  
of electoral  
districts

**4.** The boundaries of the electoral districts as set out in the Schedule shall not be affected by alterations in municipal or ward boundaries made after the 1st day of December, 1980.

Changes in  
municipal  
or ward  
boundaries

**5.** Where a county, city, town, village, township, improvement district, borough, district municipality or regional municipality

Municipalities  
on boundary  
lines

pality becomes incorporated and is not expressly included in an electoral district set out in the Schedule but is situated in part in two or more of such electoral districts, the electors entitled to vote in such municipality are entitled to vote in the electoral district in which they would have been entitled to vote if the county, city, town, village, township, improvement district, borough, district municipality or regional municipality had not become incorporated.

Augmentation  
or gores of  
townships

**6.** Except as otherwise expressly set out in the Schedule, every augmentation or gore of a township shall for the purposes of this Act be considered as forming part of the electoral district in which the township is situated.

Municipalities  
included in  
electoral  
district in  
which situate

**7.** Every county, city, town, village, township, improvement district, borough, district municipality and regional municipality heretofore or hereafter incorporated, situate wholly within an electoral district as set out in the Schedule and not expressly included in any other electoral district in the Schedule, shall form part of the electoral district in which it is situate.

Special Act  
overruled

**8.** Every county, city, town, village, township, improvement district, borough, district municipality or regional municipality that by the provisions of any special Act passed before this Act comes into force forms or forms part of an electoral district shall, notwithstanding such provisions, form or form part of the electoral district or districts in which it is included in the Schedule.

Repeals

**9.** *The Representation Act, 1975*, being chapter 13, and *The Representation Amendment Act, 1976*, being chapter 6, are repealed.

Commence-  
ment

**10.—(1)** This Act, except section 3, comes into force on the day after the day upon which the Legislature during which the electoral districts are established, is dissolved.

Idem

**(2)** Section 3 comes into force on the day this Act receives Royal Assent.

Short title

**11.** The short title of this Act is *The Representation Act, 1980*.







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An Act respecting Representation  
in the Legislative Assembly of Ontario

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*1st Reading*

December 8th, 1980

*2nd Reading*

*3rd Reading*

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MR. BREAUGH

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*(Private Member's Bill)*

4TH SESSION, 31ST LEGISLATURE, <sup>T</sup>ONTARIO  
29 ELIZABETH II, 1980

*Legislative Assembly*

## An Act to amend The Fire Departments Act

MR. BREAGH



#### EXPLANATORY NOTE

The purpose of the Bill is to enable full-time fire fighters to bargain with municipal councils on behalf of retired fire fighters with respect to pensions, pension increases and other benefits for retired fire fighters. The current provisions of the Act do not provide any means for negotiating the pensions and benefits of retired fire fighters with municipal councils.



BILL 220

1980

## An Act to amend The Fire Departments Act

**H**ER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. Subsection 1 of section 5 of *The Fire Departments Act*, being chapter 169 of the Revised Statutes of Ontario, 1970, is repealed and the following substituted therefor: s. 5 (1),  
re-enacted

(1) When requested in writing by a majority of the full-time fire fighters, the council of the municipality shall within sixty days after receipt of the request bargain in good faith with a bargaining committee of the full-time fire fighters, and shall make every reasonable effort to come to an agreement, for the purpose of defining, determining and providing for remuneration, working conditions, pensions, pension increases and other benefits for full-time fire fighters and retired fire fighters other than the chief and the deputy chief of the fire department. Bargaining

2. This Act comes into force on the day it receives Royal Assent. Commence-  
ment
3. The short title of this Act is *The Fire Departments Amendment Act*, Short title  
1980.

BILL 220

An Act to amend  
The Fire Departments Act

*1st Reading*

December 8th, 1980

*2nd Reading*

*3rd Reading*

MR. BREAUGH

*(Private Member's Bill)*

56

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4TH SESSION, 31ST LEGISLATURE, ONTARIO  
29 ELIZABETH II, 1980

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An Act to amend The Mining Act

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THE HON. J. A. C. AULD  
Minister of Natural Resources

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#### EXPLANATORY NOTE

Subsection 3 of section 69 of *The Mining Act* now reads as follows:

- (3) *The Minister may reserve for the Crown the sand and gravel located on an unpatented mining claim.*

The amendment adds peat to the materials that may be reserved for the Crown.

BILL 221

1980

## An Act to amend The Mining Act

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. Subsection 3 of section 69 of *The Mining Act*, being chapter 274 of the Revised Statutes of Ontario, 1970, is repealed and the following substituted therefor:
 

(3) The Minister may reserve for the Crown the peat, sand and gravel located on an unpatented mining claim.
2. This Act comes into force on a day to be named by proclamation of the Lieutenant Governor.
3. The short title of this Act is *The Mining Amendment Act, 1980*.

s. 69 (3),  
re-enacted

Reser-  
vations

Commence-  
ment

Short title

An Act to amend The Mining Act

*1st Reading*

December 9th, 1980

*2nd Reading*

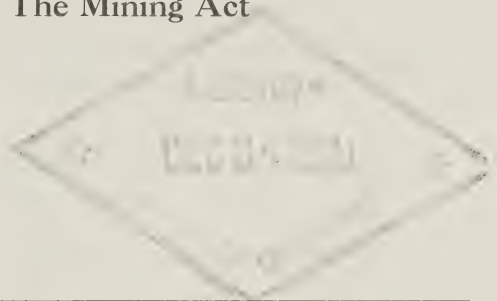
*3rd Reading*

THE HON. J. A. C. AULD  
Minister of Natural Resources

*(Government Bill)*

4TH SESSION, 31ST LEGISLATURE, ONTARIO  
29 ELIZABETH II, 1980

An Act to amend The Mining Act



THE HON. J. A. C. AULD  
Minister of Natural Resources





BILL 221

1980

## An Act to amend The Mining Act

**H**ER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. Subsection 3 of section 69 of *The Mining Act*, being chapter 274 of the Revised Statutes of Ontario, 1970, is repealed and the following substituted therefor:

s. 69 (3),  
re-enacted

(3) The Minister may reserve for the Crown the peat, sand and gravel located on an unpatented mining claim. Reser-  
vations
2. This Act comes into force on a day to be named by proclamation of the Lieutenant Governor. Commence-  
ment
3. The short title of this Act is *The Mining Amendment Act, 1980*. Short title

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An Act to amend The Mining Act

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*1st Reading*

December 9th, 1980

*2nd Reading*

December 11th, 1980

*3rd Reading*

December 12th, 1980

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THE HON. J. A. C. AULD  
Minister of Natural Resources

---

4TH SESSION, 31ST LEGISLATURE, ONTARIO  
29 ELIZABETH II, 1980

*Legislative Assembly*

An Act to amend The Public Vehicles Act

MR. CUNNINGHAM



TORONTO

PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

#### EXPLANATORY NOTE

The purpose of the Bill is to prohibit every operator and driver of a school bus from permitting pupils to stand in the bus while the bus is in motion.

BILL 222

1980

## An Act to amend The Public Vehicles Act

**H**ER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. *The Public Vehicles Act*, being chapter 392 of the Revised Statutes of Ontario, 1970, is amended by adding thereto the following section: s. 14a,  
enacted

14a.—(1) No driver or operator of a public vehicle used as a school bus shall carry more pupils as passengers in the bus than the number of persons that the seats of the bus are designed to carry. Prohibition  
of standees  
in school  
buses

(2) No driver or operator of a public vehicle used as a school bus shall permit a pupil who is a passenger in the bus to stand while the bus is in motion. Idem

2. This Act comes into force on the day it receives Royal Assent. Commence-  
ment
3. The short title of this Act is *The Public Vehicles Amendment Act*, 1980. Short title

BILL 222

An Act to amend  
The Public Vehicles Act

*1st Reading*

December 9th, 1980

*2nd Reading*

*3rd Reading*

MR. CUNNINGHAM

*(Private Member's Bill)*

3

Government  
Publications

BILL 223

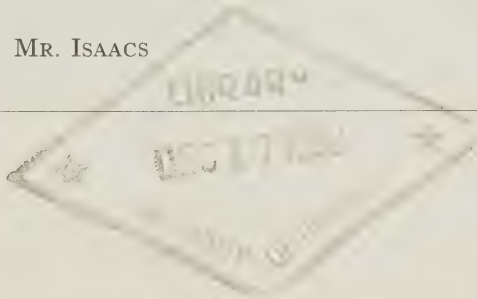
Private Member's Bill

4TH SESSION, 31ST LEGISLATURE, ONTARIO  
29 ELIZABETH II, 1980

*Legislative Assembly*

An Act to amend  
The Environmental Assessment Act, 1975

MR. ISAACS



TORONTO

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#### EXPLANATORY NOTE

The purpose of the Bill is to remove the authority of the Minister and the Lieutenant Governor in Council to exempt persons and undertakings from the provisions of *The Environmental Assessment Act, 1975*.



BILL 223

1980

**An Act to amend  
The Environmental Assessment Act, 1975**

**H**ER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. Section 30 of *The Environmental Assessment Act, 1975*, being chapter 69, is repealed. s. 30,  
repealed
2. Clause *f* of section 41 of the said Act is amended by striking out “exempting any person, class or persons, undertaking or class of undertakings from the provisions of this Act, the regulations or any section or part of a section thereof and” in the first, second, third and fourth lines. s. 41 (*f*),  
amended
3. This Act comes into force on the day it receives Royal Assent. Commence-  
ment
4. The short title of this Act is *The Environmental Assessment Amendment Act, 1980*. Short title

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An Act to amend  
The Environmental Assessment  
Act, 1975

---

*1st Reading*

December 9th, 1980

*2nd Reading*

*3rd Reading*

---

MR. ISACS

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*(Private Member's Bill)*

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4TH SESSION, 31ST LEGISLATURE, ONTARIO  
29 ELIZABETH II, 1980

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**An Act to amend  
The Environmental Protection Act, 1971**

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THE HON. H. C. PARROTT  
Minister of the Environment

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#### EXPLANATORY NOTES

SECTION 1. Subsection 1 of section 80 of the Act is re-enacted to clarify the powers of the Environmental Appeal Board.

Subsection 2 of the section provides for an appeal on a question of law from a decision of the Board to a county court. The subsection is re-enacted to provide that the appeal will be to the Supreme Court.

SECTION 2. Section 2 of the Bill contains transitional provisions.

BILL 224

1980

## An Act to amend The Environmental Protection Act, 1971

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. Subsections 1 and 2 of section 80 of *The Environmental Protection Act, 1971*, being chapter 86, are repealed and the following substituted therefor: s. 80 (1, 2),  
re-enacted

(1) A hearing by the Board shall be a new hearing and the Board may confirm, alter or revoke the action of the Director that is the subject-matter of the hearing and may by order direct the Director to take such action as the Board considers the Director should take in accordance with this Act and the regulations, and, for such purposes, the Board may substitute its opinion for that of the Director. Powers  
of  
Board

(2) Any party to a hearing before the Board under this section may appeal from its decision or order on a question of law to the Supreme Court in accordance with the rules of court. Appeal  
to  
Court

- 2.—(1) Subsection 1 of section 80 of *The Environmental Protection Act, 1971*, as re-enacted by section 1 of this Act, applies to hearings in respect of which the Board has not made a decision before this Act comes into force. Application,  
hearings

(2) Subsection 2 of section 80 of *The Environmental Protection Act, 1971*, as re-enacted by section 1 of this Act, applies to appeals commenced after this Act comes into force. Idem,  
appeals

3. This Act comes into force on the day it receives Royal Assent. Commence-  
ment

4. The short title of this Act is *The Environmental Protection Amendment Act, 1980*. Short title

An Act to amend  
The Environmental Protection Act, 1971

---

*1st Reading*

December 11th, 1980

*2nd Reading*

*3rd Reading*

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THE HON. H. C. PARROTT  
Minister of the Environment

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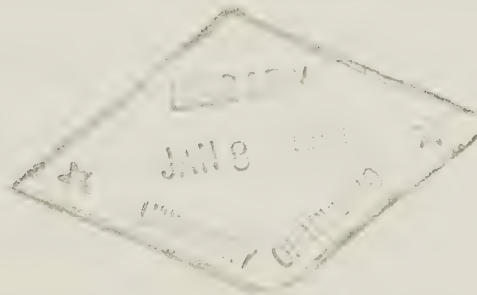
*(Government Bill)*

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4TH SESSION, 31ST LEGISLATURE, <sup>5</sup>ONTARIO  
29 ELIZABETH II, 1980 *F. L. ...*

**An Act respecting the Succession to Estates  
of Deceased Persons in Ontario who have  
Beneficiaries residing in Designated Countries**

**MR. SMITH**  
(Hamilton West)



#### EXPLANATORY NOTE

The purpose of the Bill is to ensure that payments from the estates of persons domiciled in Ontario at the time of death are not made to foreign beneficiaries who are unlikely to receive for their whole benefit or use substantially the full value of any payments made under the estate and who reside in certain countries designated by regulation. The Bill provides for an application to be made to a court for an order permitting payments to a foreign beneficiary. The court may also order that no payment be made to a foreign beneficiary, in which case the court shall make an order disposing of the estate in accordance with the rules of succession contained in *The Succession Law Reform Act, 1977*, with necessary modifications.



BILL 225

1980

An Act respecting the Succession to Estates  
of Deceased Persons in Ontario who have  
Beneficiaries residing in Designated Countries

HER MAJESTY, by and with the advice and consent of  
the Legislative Assembly of the Province of Ontario,  
enacts as follows:

1. In this Act,

Interpre-  
tation

- (a) “court” means a surrogate court or the Supreme Court of Ontario;
- (b) “deceased person” means a person who was domiciled in Ontario at the time of death;
- (c) “foreign beneficiary” means a person who ordinarily resides in a country designated in the regulations;
- (d) “payment” includes a payment, transfer, disposition or distribution of property;
- (e) “personal representative” means an executor, an administrator or an administrator with will annexed;
- (f) “property” means real or personal property;
- (g) “will” includes,
  - (i) a testament,
  - (ii) a codicil,
  - (iii) an appointment by will or by writing in the nature of a will in exercise of a power, and
  - (iv) any other testamentary disposition.

Application  
by foreign  
beneficiary

**2.** Where a will directs that a payment be made to a foreign beneficiary and where that foreign beneficiary makes an application to the court to vary the manner of payment, the court shall not give its consent to that application, unless the court is satisfied that,

- (a) the foreign beneficiary is likely to receive for his or her whole benefit or use or control substantially the full value of the payment being made to that person; and
- (b) in all the circumstances of the case the result would be just and equitable, having regard to the intentions of the deceased person, so far as ascertainable,

in which case the court may grant the application to vary the manner of payment or make such other order as it considers appropriate in the circumstances.

Application  
by personal  
representative  
1977, c. 40

**3.—(1)** Where a foreign beneficiary is entitled under Part II of *The Succession Law Reform Act, 1977* to all or part of the property comprising the estate of a deceased person, the personal representative of the deceased person shall not make any payment to that person of all or any part of such property unless the personal representative makes application and obtains an order from the court permitting the payment to be made to that person.

Order by  
court

(2) A court shall not make an order under subsection 1 unless the court is satisfied that,

- (a) the foreign beneficiary is entitled to property from the estate;
- (b) the foreign beneficiary is likely to receive for his or her whole benefit or use or control substantially the full value of the payment to be made to that person; and
- (c) in all the circumstances of the case, the result would be just and equitable having regard to the intentions of the deceased person, so far as ascertainable,

in which case the court may make such order and may direct the payment to be made to the foreign beneficiary in such manner as it considers appropriate under the circumstances.

Idem

(3) Where the court has decided that no order should be made under subsection 2 because,

- (a) the foreign beneficiary would be unlikely to receive for his or her whole benefit or use or control substantially

the full value of the payment to be made to that person;  
or

- (b) in all the circumstances of the case, the result would not be just or equitable having regard to the intentions of the deceased person, so far as ascertainable,

the court may make such order and may direct such payment to be made to the foreign beneficiary in such manner as it considers appropriate or the court may refuse to direct any payment to be made to the foreign beneficiary of the deceased person, in which case the court shall make an order disposing of the estate of the deceased person in accordance with the provisions for succession contained in *The Succession Law Reform Act, 1977*, with necessary modifications. 1977, c. 40

4. Where a foreign beneficiary makes an application for an order under Part V of *The Succession Law Reform Act, 1977* for property from the estate of a deceased person, the court shall not make an order unless the court is satisfied that, Application under Part V of 1977, c. 40

- (a) the foreign beneficiary is entitled to property from that estate;
- (b) the foreign beneficiary is likely to receive for his or her whole benefit or use or control substantially the full value of the payment to be made to that person; and
- (c) in all the circumstances of the case, the result would be just and equitable having regard to the intentions of the deceased person, so far as ascertainable,

in which case the court may make such order and direct the payment to be made to the foreign beneficiary in such manner as it considers appropriate under the circumstances.

(2) Where the court has decided that no order should be made under subsection 1 because, Idem

- (a) the foreign beneficiary would be unlikely to receive for his or her whole benefit or use or control substantially the full value of the payment to be made to that person;  
or
- (b) in all the circumstances of the case, the result would not be just or equitable having regard to the intentions of the deceased person, so far as ascertainable,

the court may make such order and may direct such payment to be made to the foreign beneficiary in such manner as it considers

appropriate or the court may refuse to direct any payment to be made to the foreign beneficiary of the deceased person, in which case the court shall make an order disposing of the estate of the deceased person in accordance with the provisions for succession contained in *The Succession Law Reform Act, 1977*, with necessary modifications.

1977, c. 40

Considerations  
on application

**5.** Upon the hearing of an application under section 3 or 4, the court shall inquire into and consider all the circumstances of the application, including,

- (a) the proximity and duration of the foreign beneficiary's relationship with the deceased person;
- (b) where the foreign beneficiary is the spouse of the deceased person, a course of conduct by the spouse during the lifetime of the deceased person that is an obvious and gross repudiation of the relationship;
- (c) the circumstances of the deceased person at the time of death;
- (d) any agreement between the deceased person and the foreign beneficiary; and
- (e) any previous distribution or division of property made by the deceased person in favour of the foreign beneficiary by gift or agreement or under court order.

Evidence

**6.—(1)** Upon the hearing of an application under section 2, 3 or 4, the court,

- (a) in addition to the evidence adduced by the parties appearing, may direct such other evidence to be given as the court considers necessary or proper, including oral testimony from the applicant; and
- (b) may accept such evidence as the court considers proper of the deceased person's intentions, so far as ascertainable, including any statement in writing signed by the deceased person.

Idem

(2) In estimating the weight to be given to a statement referred to in clause *b* of subsection 1, the court shall have regard to all the circumstances from which any inference can reasonably be drawn as to the accuracy or otherwise of the statement.

Penalty

**7.** Every person who contravenes subsection 1 of section 3 is guilty of an offence and on conviction is liable to a fine of not more than \$10,000.

**8.** The Lieutenant Governor in Council may make regulations Regulations designating countries for the purpose of this Act.

**9.** This Act does not apply in respect of the estates of persons Application of Act who died before this Act came into force.

**10.** This Act comes into force on the day it receives Royal Commence-  
ment Assent.

**11.** The short title of this Act is *The Succession Law Act*, Short title 1980.

An Act respecting the Succession to Estates of  
Deceased Persons in Ontario who have  
Beneficiaries residing in Designated  
Countries

*1st Reading*

December 11th, 1980

*2nd Reading*

*3rd Reading*

MR. SMITH  
(Hamilton West)

*(Private Member's Bill)*

**BILL 226**

**Government Bill**

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4TH SESSION, 31ST LEGISLATURE, ONTARIO  
29 ELIZABETH II, 1980

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**An Act respecting  
Local Government in the District of Cochrane**

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THE HON. T. L. WELLS  
Minister of Intergovernmental Affairs

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## EXPLANATORY NOTE

This Bill has the following purposes:

1. It incorporates certain geographic townships and the Town of Hearst into a new Town of Hearst.
2. It incorporates a portion of the geographic Township of Haggart and the present United Townships of Shackleton and Machin into a new Township of Shackleton and Machin.
3. It changes the name of the Township of Fauquier to the Township of Moonbeam.

The Bill also provides for other matters related to the incorporations referred to above.

Part I of the Bill deals with the new Town of Hearst.

Sections 1 and 2 are definition sections and section 3 incorporates the new Town of Hearst.

Section 4 provides for a council consisting of a mayor and eight councillors. The first members of council will be the present members of the council of the Town of Hearst plus two members to be elected at a special election to be held in 1981 from the two wards in the former geographic townships. The Province is to bear the cost of the election.

Section 5 provides that local roads areas in the Town are dissolved and that decisions of local roads boards regarding road maintenance in the area are carried over to the new Town. The section also vests all assets and liabilities of the dissolved local roads boards in the Town and permits the Town to agree with the Provincial Land Tax Collector as to the collection of arrears of that tax.

Section 6 gives the Town the right to collect arrears of taxes.

Section 7 provides for the establishment of urban service areas in the Town.

Section 8 provides for the continuation of the by-laws of the present Town of Hearst and provides that such by-laws will not apply to the geographic townships until the council of the new Town so provides.

Section 9 provides for the continuation of existing speed limits in the geographic townships.

Part II deals with the new Township of Shackleton and Machin.

Section 10 is an interpretation provision and section 11 incorporates the new Township.

Section 12 withdraws that portion of the geographic Township of Haggart described in the Schedule from the Smooth Rock Falls Planning Area but continues the official plan in effect.

Section 13 provides for a council consisting of a reeve and four councillors. The first council will consist of the present reeve and councillors of the United Townships plus a councillor to be elected from the part of the geographic Township included in the new Township. This councillor will be elected at a special election in 1981 and the Province will bear the cost of the election.

Section 14 gives the Town the right to collect arrears of taxes.

Section 15 provides for the continuation of the by-laws of the United Townships of Shackleton and Machin and provides that such by-laws will not apply to the part of the geographic Township included in the new Township until the council of the Township so provides.

Section 16 changes the name of the Township of Fauquier to the Township of Moonbeam.

Section 17 permits the Minister, by order, to provide for transitional rates in the areas merged by this Bill.

Section 18 provides for the continuation of the existing local boards of the Town of Hearst and the United Townships of Shackleton and Machin as local boards of the new Town and Township respectively.

Section 19 provides that all by-laws passed by the first council of the new Town and the new Township must be approved by the Minister.

Section 20 permits the Lieutenant Governor in Council to make general remedial orders for the purpose of effectively carrying out the intent and purpose of the Bill.

BILL 226

1980

## An Act respecting Local Government in the District of Cochrane

**H**ER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

**1.** In this Act, “Minister” means the Minister of Inter-  
governmental Affairs. Interpre-  
tation

### PART I

#### TOWN OF HEARST

**2.** In this Part, “Town” means the Town of Hearst as consti- Idem  
tuted under section 3.

**3.** On this 1st day of January, 1982, the inhabitants of the New Town  
of Hearst  
incorporated  
geographic townships of Hanlan, Casgrain, Way, Kendall and Lowther, and the Town of Hearst, as it existed on the 31st day of December, 1981, are incorporated as a town municipality bearing the name “The Corporation of the Town of Hearst”.

**4.—(1)** The council of the Town shall consist of a mayor Composition  
of  
council  
elected by general vote, six councillors elected from a ward consisting of the Town of Hearst as it existed on the 31st day of December, 1981, one councillor elected from a ward consisting of the geographic townships of Lowther and Way and one councillor elected from a ward consisting of the geographic townships of Hanlan, Casgrain and Kendall.

**(2)** Notwithstanding subsection 1, the first council of the Town First  
council  
shall consist of the mayor and the councillors of the Town of Hearst on the 31st day of December, 1981 and one councillor elected at a special election from a ward consisting of the geographic townships of Lowther and Way and one councillor elected at a special election from a ward consisting of the geographic townships of Hanlan, Casgrain and Kendall.

Term of  
first council  
1977, c. 62

(3) Notwithstanding *The Municipal Elections Act, 1977*, the first council shall hold office for eleven months commencing on the 1st day of January, 1982.

1981 special  
election,  
Minister's  
powers

(4) Notwithstanding *The Municipal Elections Act, 1977*, the Minister shall, by order, provide for the holding of a special election in 1981 for the election of the two councillors elected from the wards mentioned in subsection 2, including nominations, qualifications of electors and candidates, polling days, polling places, the appointment of returning officers, preparation of polling lists and any other matters considered necessary in respect of the election.

Expenses  
for special  
election

(5) The expenses for the special election to be held in 1981 shall, as approved by the Minister, be paid out of the Consolidated Revenue Fund.

Dissolution  
of local  
roads area  
and boards

5.—(1) Where an established local roads area is entirely within the Town, the local roads area and board thereof are dissolved on the 1st day of January, 1982 and all the assets and liabilities of the board become on such date assets and liabilities of the Town.

Unpaid taxes,  
collection of  
by Town

(2) All taxes and penalties assessed by a local roads board against any land in the Town which are due and unpaid on the 1st day of January, 1982 shall be deemed on that date to be taxes and penalties due and payable upon the land to the Town and the collector of the Town shall enter the taxes and penalties in the collector's roll and may collect them in the same manner as if the taxes had been levied and penalties imposed by the Town, and the collector shall forthwith notify the owner or his agent as shown on the register of the board that the taxes and penalties are due and payable to the Town.

Agreement  
respecting  
collection of  
land tax  
R.S.O. 1970,  
c. 370

(3) The Town and the Land Tax Collector appointed under *The Provincial Land Tax Act* may enter into an agreement respecting the collection by the Town of arrears of land tax in respect of property within the Town.

Local roads  
program  
deemed  
adopted

(4) The road program of work to be performed on or after the 1st day of January, 1982 on local roads by the local roads boards for those local roads areas which are dissolved under this section shall be deemed to be adopted by by-law of the council of the Town on the 1st day of January, 1982.

Town has  
right to  
recover taxes  
under  
R.S.O. 1970,  
c. 118,  
Part III

6.—(1) The Town has and shall be deemed always to have had the right to recover the taxes and accumulated interest owing to it, including the arrears of taxes for school purposes and accumulated interest thereon under the procedures provided for in Part III of *The Municipal Affairs Act*.

(2) Where, prior to the 1st day of January, 1982, the proper authorities commenced procedures under any Act for the sale for arrears of taxes of lands that are in the Town on and after the 1st day of January, 1982, such procedures may be taken up and continued by the proper officers of the Town.

**7.—(1)** In this section,

Interpre-  
tation

(a) “cost” includes the cost of constructing, equipping, extending, enlarging, altering and replacing public works for the purpose of providing an urban service, the cost of managing, operating and maintaining such urban service, the cost of any land, buildings and equipment necessary for providing an urban service, and the cost of the issue and sale of debentures for an urban service and any discount allowed to the purchases of them;

(b) “urban service” means,

- (i) the collection and disposal of sewage and land drainage, or
- (ii) the provision and distribution of an adequate supply of water, or
- (iii) the collection and removal of ashes or garbage or other refuse, or
- (iv) street lighting, or
- (v) fire fighting and fire protection.

(2) The council of the Town shall, with the approval of the Ontario Municipal Board, by by-law designate areas in which an urban service is or is to be provided by the Town.

Area of  
urban  
service

(3) Subject to subsection 4, the aggregate amount of the sums necessary in each year to pay the cost of an urban service in a designated area, including the Town’s portion of all debenture charges for works constructed under *The Local Improvement Act* and debenture charges for debentures issued under any other Act in connection with such urban service, except to the extent that such cost is raised by special assessments, under any general or special Act, or otherwise, shall be levied in the manner provided by subsection 3 of section 7 of *The Ontario Unconditional Grants Act, 1975* upon all rateable property in the designated area and no part of the cost of providing such urban service shall be levied on any part of the Town lying outside the designated area.

Levy in areas

R.S.O. 1970,  
c. 255  
1975, c. 7



Contribution  
to cost out  
of general  
rates

R.S.O. 1970,  
c. 284

(4) Notwithstanding subsection 3, the council of the Town may in any year by by-law provide for a contribution towards the cost of any urban service to be included in the sums adopted for general purposes in accordance with section 307 of *The Municipal Act*, and the aggregate amount of the sums necessary to pay such costs for the purposes of subsection 3, shall be reduced accordingly.

By-laws  
continued

**8.** The by-laws in force in the Town of Hearst, as it existed on the 31st day of December, 1981, until amended or repealed by the council of the Town remain in force in the area of the former Town of Hearst but do not extend to the remainder of the Town until the council otherwise provides.

Special limits  
under R.S.O.  
1970, c. 202  
continued

**9.—(1)** Notwithstanding the other provisions of this Act, but subject to subsection 2, for the purposes of section 82 of *The Highway Traffic Act* the areas in the Town that, on the 31st day of December, 1981, were without municipal organization shall be considered to continue to form part of a territory without municipal organization.

Idem

(2) Notwithstanding subsection 1, the council of the Town may exercise any of its powers under section 82 of *The Highway Traffic Act* in respect of highways under its jurisdiction and control.

## PART II

### TOWNSHIP OF SHACKLETON AND MACHIN

Interpre-  
tation

**10.** In this Part, "Township" means the Township of Shackleton and Machin as constituted under section 11.

New Township  
of Shackleton  
and Machin  
incorporated

**11.** On the 1st day of January, 1982, the United Townships of Shackleton and Machin and the portion of the geographic Township of Haggart described in the Schedule hereto are incorporated as a township municipality bearing the name "The Corporation of the Township of Shackleton and Machin".

Planning  
area and  
official plan

**12.** The portion of the geographic Township of Haggart described in the Schedule hereto is hereby withdrawn from the Smooth Rock Falls Planning Area as of the 1st day of January, 1982, but the official plan in effect in the portion of Haggart as of the 31st day of December, 1981, remains in effect until altered in accordance with *The Planning Act*.

R.S.O. 1970,  
c. 349

Composition  
of  
council

**13.—(1)** The council of the Township shall consist of a reeve and four councillors all elected by general vote.

First  
council

(2) Notwithstanding subsection 1, the first council of the Township shall consist of the reeve and councillors of the United Townships of Shackleton and Machin on the 31st day of

December, 1981 and one councillor elected at a special election from a ward consisting of the part of the geographic Township of Haggart described in the Schedule hereto.

(3) Notwithstanding *The Municipal Elections Act, 1977*, the first council shall hold office for eleven months commencing on the 1st day of January, 1982. Term of first council 1977, c. 62

(4) Notwithstanding *The Municipal Elections Act, 1977*, the Minister shall, by order, provide for the holding of a special election in 1981 for the election of the councillor elected from the ward mentioned in subsection 2, including nominations, qualifications of electors and candidates, polling days, polling places, the appointment of returning officers, preparation of polling lists and any other matters considered necessary in respect of the election. 1981 special election, Minister's powers

(5) The expenses for the special election to be held in 1981 shall, as approved by the Minister, be paid out of the Consolidated Revenue Fund. Expenses for special election

**14.**—(1) The Township and the Land Tax Collector appointed under *The Provincial Land Tax Act* may enter into an agreement respecting the collection by the Township of arrears of land tax in respect of property within the Township. Agreement respecting collection of land tax R.S.O. 1970, c. 370

(2) The Township has and shall be deemed always to have had the right to recover the taxes and accumulated interest owing to it, including the arrears of taxes for school purposes and accumulated interest thereon under the procedures provided for in Part III of *The Municipal Affairs Act*. Town has right to recover taxes under R.S.O. 1970, c. 118, Part III

(3) Where, prior to the 1st day of January, 1982, the proper authorities commenced procedures under any Act for the sale for arrears of taxes of lands that are in the Township on and after the 1st day of January, 1982, such procedures may be taken up and continued by the proper officers of the Township. Saving

**15.** The by-laws in force in the United Townships of Shackleton and Machin on the 31st day of December, 1981, until amended or repealed by the council of the Township remain in force in the area of the former United Townships of Shackleton and Machin but do not extend to the remainder of the Township until the council otherwise provides. By-laws continued

### PART III

#### TOWNSHIP OF FAUQUIER

**16.** On and after the 1st day of January, 1982, The Corporation of the Township of Fauquier will bear the name of The Name of Township changed

Corporation of the Township of Moonbeam and a reference in any general or special Act to the Township of Fauquier or The Corporation of the Township of Fauquier shall be deemed to be a reference to the Township of Moonbeam and to The Corporation of the Township of Moonbeam, respectively.

## PART IV

### GENERAL

Transitional  
rates

**17.** For the purpose of phasing in municipal taxation in formerly unorganized areas, the Minister may provide from time to time, by order, that in the years 1982, 1983, 1984, 1985 and 1986, and in the manner specified in the order, that the council of the Town of Hearst and the council of the Township of Shackleton and Machin shall levy, on the assessment for real property and business, according to the latest assessment rolls available in the area or areas of the Town or Township specified in the order, rates of taxation for municipal purposes which are different from the rates which would have been levied but for the provisions of an order made under this section.

Local  
boards  
continued

**18.** The local boards of the Town of Hearst and the United Townships of Shackleton and Machin, as they existed on the 31st day of December, 1981, are continued, on and after the 1st day of January, 1982, as local boards of the Town of Hearst and the Township of Shackleton and Machin, respectively.

Approval  
of by-laws  
of first  
councils

**19.** No by-law passed by the council of the Town of Hearst or the council of the Township of Shackleton and Machin on or after the 1st day of January, 1982 and prior to the 1st day of December, 1982 comes into force without the approval of the Minister.

Lieutenant  
Governor in  
Council, power  
to make  
orders

**20.** The Lieutenant Governor in Council, upon the recommendation of the Minister, may authorize all acts or things not specifically provided for in this Act that are considered necessary or advisable to carry out effectively the intent and purpose of this Act.

Commence-  
ment

**21.** This Act comes into force on the day it receives Royal Assent.

Short title

**22.** The short title of this Act is *The North Cochrane District Local Government Act, 1980*.



## SCHEDULE

The portion of the geographic Township of Haggart that, on and after the 1st day of January, 1982, forms part of the Township of Shackleton and Machin, is described as follows:

COMMENCING at the southwesterly angle of the geographic Township of Haggart;

THENCE easterly along the southerly boundary of the said geographic Township to the line between Lots 20 and 21 in Concession I;

THENCE northerly along the line between Lots 20 and 21 in Concessions I, II and III to the southerly limit of Concession IV in the said geographic Township;

THENCE westerly along the southerly limit of Concession IV to the westerly limit of Lot 21;

THENCE northerly along the westerly limit of Lot 21 to the southerly limit of Concession V in the said geographic Township;

THENCE easterly along the southerly limit of Concession V to the line between Lots 20 and 21;

THENCE northerly along the line between Lots 20 and 21 to the northerly boundary of the said geographic Township;

THENCE westerly along the northerly boundary of the said geographic Township;

THENCE southerly along the westerly boundary of the said geographic Township to the place of commencement.

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An Act respecting Local  
Government in the District of Cochrane

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*1st Reading*

December 11th, 1980

*2nd Reading*

*3rd Reading*

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THE HON. T. L. WELLS  
Minister of Intergovernmental Affairs

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*(Government Bill)*

4TH SESSION, 31ST LEGISLATURE, ONTARIO  
29 ELIZABETH II, 1980

**An Act respecting Insured Services  
under the Ontario Health Insurance Plan**

MR. PHILIP



TORONTO

PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

# EXPLANATORY NOTE

Self-explanatory.

BILL 227

1980

## An Act respecting Insured Services under the Ontario Health Insurance Plan

**H**ER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. The provision of prostheses and brassieres following a single or double mastectomy, on the prescription of a physician, may be prescribed by the regulations under *The Health Insurance Act, 1972*, as an insured service for the purposes of that Act. Prostheses and brassieres may be prescribed as insured services  
1972, c. 91
2. This Act comes into force on the day it receives Royal Assent. Commence-  
ment
3. The short title of this Act is *The Insured Health Services Act, 1980*. Short title

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An Act respecting Insured Services  
under the Ontario Health Insurance  
Plan

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*1st Reading*

December 11th, 1980

*2nd Reading*

*3rd Reading*

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MR. PHILIP

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*(Private Member's Bill)*

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4TH SESSION, 31ST LEGISLATURE, ONTARIO  
29 ELIZABETH II, 1980

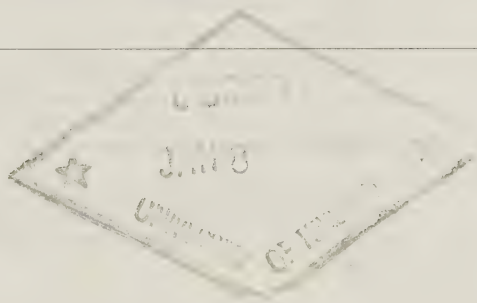
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**An Act to amend  
Certain Acts respecting the Environment**

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THE HON. H. C. PARROTT  
Minister of the Environment

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#### EXPLANATORY NOTES

SECTION 1. New section 48a of *The Environmental Protection Act, 1971* provides for the seizing of the permit and the number plates issued under *The Highway Traffic Act* for any vehicle used in the commission of an offence in respect of hauled liquid industrial waste or hazardous waste.

The offence may be an offence under *The Environmental Protection Act, 1971* or under subsection 1 of section 32 of *The Ontario Water Resources Act*.

Hauled liquid industrial waste and hazardous waste are designated under the regulations. Regulation 824 of Revised Regulations of Ontario, 1970 contains these designations.

Where no charge is laid within three months of the seizure or, where a charge is laid, within thirty days after final disposition of any charge, the section requires the return of the permit and number plates to the person from whom they were seized or to the owner of the vehicle.

The section also provides that permit and number plates may be detained pending payment of any penalty imposed upon conviction for the offence in respect of which the permit and number plates were seized.



BILL 228

1980

## An Act to amend Certain Acts respecting the Environment

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

### PART I

#### THE ENVIRONMENTAL PROTECTION ACT, 1971

1. Part V of *The Environmental Protection Act, 1971*, being chapter 86, is amended by adding thereto the following sections:

ss. 48a,  
48b,  
enacted

48a.—(1) A police officer or a provincial officer may seize the permit and the number plates issued under *The Highway Traffic Act* for any vehicle that he believes, on reasonable and probable grounds, was used or is being used in the commission of an offence under this Act or the regulations or under subsection 1 of section 32 of *The Ontario Water Resources Act* in respect of hauled liquid industrial waste or hazardous waste as designated in the regulations relating to Part V of this Act.

Seizure  
of permit  
and number  
plates  
R.S.O. 1970,  
cc. 202, 332

(2) Subject to subsections 3 and 4, any permit and number plates seized under subsection 1 shall be delivered into the custody of such person as the Minister directs for safekeeping pending disposition as otherwise provided in this section.

Custody of  
permit and  
number plates

(3) Where,

Return of  
permit and  
number plates

- (a) no charge is laid in respect of an offence referred to in subsection 1 within three months from the day of the seizure of the permit and number plates; or
- (b) a charge is laid, within thirty days after the final disposition of the charge,

the permit and number plates seized under subsection 1 shall be returned to the person from whom they were seized or to the owner of the vehicle.

Exception

(4) Notwithstanding clause *b* of subsection 3, where there has been a conviction and a penalty has been imposed, the permit and number plates may be detained until the penalty is paid.

ss. 102*a*,  
102*b*,  
enacted

**2.**—(1) The said Act is further amended by adding thereto the following sections:

Penalty where  
hauled liquid  
industrial  
waste or  
hazardous  
waste  
involved  
R.S.O. 1970,  
c. 332

102*a*.—(1) Where any person is convicted of an offence under this Act or the regulations or under subsection 1 of section 32 of *The Ontario Water Resources Act* in respect of hauled liquid industrial waste or hazardous waste as designated in the regulations relating to Part V of this Act and the action or failure to act for which the person is convicted results or may result in,

- (*a*) impairment of the quality of the natural environment for any use that can be made of it;
- (*b*) injury or damage to property or to plant or animal life;
- (*c*) harm or material discomfort to any person;
- (*d*) an adverse effect on the health of any person;
- (*e*) impairment of the safety of any person;
- (*f*) rendering any property or plant or animal life unfit for use by man;
- (*g*) loss of enjoyment of normal use of property; or
- (*h*) interference with the normal conduct of business,

the person is liable to a fine of not less than \$2,000 and not more than \$25,000 for the first offence and for each subsequent offence to a fine of not less than \$4,000 and not more than \$50,000 for every day or part thereof upon which the offence occurs or continues, and not as provided in the section under which the person is convicted.

Where  
person  
convicted  
under  
R.S.O. 1970,  
c. 332,  
s. 32 (1)

(2) Where the conviction is under subsection 1 of section 32 of *The Ontario Water Resources Act*, the person convicted, in addition to the penalty provided in subsection 1 of this section, is also liable to imprisonment (as provided in subsection 1 of section 32 of *The Ontario Water Resources Act*) for a term of not more than one year, or to a fine under subsection 1 of this section or to such imprisonment.

Notice

(3) Where a person is convicted of an offence for which a penalty may be imposed under subsection 1, subsection 1 does not apply unless the court is satisfied that the person was notified,

SECTION 2. New section 102a of *The Environmental Protection Act, 1971* provides for a different penalty for a person convicted of an offence under *The Environmental Protection Act, 1971* or under subsection 1 of section 32 of *The Ontario Water Resources Act* if the offence involves hauled liquid industrial waste or hazardous waste. The section applies if the conduct of the person convicted results or may result in one of the consequences listed in the section.

Subsection 2 retains the penalty of imprisonment as part of the range of penalties where the offence is under subsection 1 of section 32 of *The Ontario Water Resources Act*. That subsection deals with the discharge of material into a well, lake, river, pond, spring, stream, reservoir or other water or watercourse that may impair the quality of the water.

Subsection 3 provides that the person must be given notice, before pleading to the charge, that a penalty will be sought under this section.

Subsection 4 provides that the section does not apply in respect of any offence under Part VIII-A (which relates to spills).

The penalties under this section are a fine of not less than \$2,000 and not more than \$25,000 for the first offence and not less than \$4,000 and not more than \$50,000 for each subsequent offence for every day or part of a day upon which the offence occurs or continues.

New section 102b of *The Environmental Protection Act, 1971* adds a limitation period of two years for the commencement of proceedings for an offence under the Act.

Subsection 2 of section 2 of the Bill provides that the limitation period does not apply in respect of an offence committed, or alleged to have been committed, before this section of the Bill comes into force.

SECTION 3. A similar limitation period is added to *The Pesticides Act, 1973* as section 34a.

Subsection 2 of section 3 is similar to subsection 2 of section 2 of the Bill.

SECTION 4. Section 72 of *The Ontario Water Resources Act* is revised to provide a limitation period similar to new section 102b of *The Environmental Protection Act, 1971* and new section 34a of *The Pesticides Act, 1973*, contained in this Bill, in respect of offences other than those under a by-law passed under clause c or d of subsection 1 of section 64 (which relate to plumbing). The limitation period in respect of the latter offences remains one year.

before making his plea, that a penalty would be sought under subsection 1.

(4) Subsection 1 does not apply in respect of any offence in Exception respect of Part VIII-A of this Act.

102*b*. Proceedings for an offence under this Act or the regula- Limitation tions shall not be commenced after two years after the date on which the offence was, or is alleged to have been, committed.

(2) Section 102*b* of *The Environmental Protection Act, 1971*, as Application enacted by subsection 1, does not apply in respect of an offence of committed, or alleged to have been committed, before this 1971, c. 86, section comes into force. s. 102*b*

## PART II

### THE PESTICIDES ACT, 1973

3.—(1) *The Pesticides Act, 1973*, being chapter 25, is amended by s. 34*a*, adding thereto the following section: enacted

34*a*. Proceedings for an offence under this Act or the regula- Limitation tions shall not be commenced after two years after the date on which the offence was, or is alleged to have been, committed.

(2) Section 34*a* of *The Pesticides Act, 1973*, as enacted by subsec- Application tion 1, does not apply in respect of an offence committed, or of alleged to have been committed, before this section comes into 1973, c. 25, force. s. 34*a*

## PART III

### THE ONTARIO WATER RESOURCES ACT

4.—(1) Section 72 of *The Ontario Water Resources Act*, being chapter s. 72, 332 of the Revised Statutes of Ontario, 1970, is repealed and re-enacted the following substituted therefor:

72.—(1) Proceedings for an offence under this Act or the regu- Limitation lations made under this Act shall not be commenced after two years after the date on which the offence was, or is alleged to have been, committed.

(2) Proceedings for an offence under a by-law passed under Idem clause *c* or *d* of subsection 1 of section 64 shall not be commenced after one year after the date on which the offence was, or is alleged to have been, committed.

Application  
of  
R.S.O. 1970,  
c. 332, s. 72 (1)

- (2) Subsection 1 of section 72 of *The Ontario Water Resources Act*, as enacted by subsection 1, does not apply in respect of an offence committed, or alleged to have been committed, before this section comes into force.

## PART IV

### GENERAL

Commence-  
ment

- 5.** This Act comes into force on the day it receives Royal Assent.

Short title

- 6.** The short title of this Act is *The Environment Statutes Amendment Act, 1980*.









An Act to amend  
Certain Acts respecting the Environment

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*1st Reading*

December 11th, 1980

*2nd Reading*

*3rd Reading*

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THE HON. H. C. PARROTT  
Minister of the Environment

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*(Government Bill)*

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4TH SESSION, 31ST LEGISLATURE, ONTARIO  
29 ELIZABETH II, 1980

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An Act to revise  
The Business Corporations Act

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THE HON. FRANK DREA  
Minister of Consumer and Commercial Relations

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## EXPLANATORY NOTES

The Bill restates and revises the law as it applies to business corporations. The Bill is designed to effect a measure of uniformity between Ontario corporate legislation and legislation passed by the federal and other provincial jurisdictions.

Among the principal features of the Bill are the following:

1. The administrative functions under the Act are given to the Director rather than to the Minister.

The Director is appointed by the Minister.

2. A corporation may be incorporated with a name in English, French or in a combined English and French form and the English or French word for "Limited", "Incorporated" or "Corporation" or the corresponding abbreviations, "Ltée", "Inc." or "Corp." shall be part of the name (s. 10).
3. The statutory list of ancillary corporate powers and the statutory requirement to provide corporate objects have been removed from the Act and in lieu thereof corporations are given the powers of a natural person (s. 15).
4. The concept of constructive notice has been abolished so that no person is deemed to have knowledge of the contents of documents concerning corporations by reason only that the documents have been filed (s. 18).
5. The common law indoor management rule has been codified. This rule permits third parties to rely upon officers, directors or employees having the authority to bind the company where their actions would imply that they have such authority (s. 19).
6. The concept of par value shares has been removed (s. 22).
7. An opportunity is given to shareholders to have proposals put before shareholders' meetings (s. 98).
8. An opportunity by way of a unanimous shareholder agreement is provided to shareholders to assume the responsibilities of directors and manage the corporation (s. 107).
9. At least one-third of the directors of an offering corporation shall not be officers or employees of the corporation or of any of its affiliates (s. 114).
10. Provision is made for a floating number of directors with the minimum and maximum numbers being set (s. 123).
11. Provision is made to allow corporations to purchase insurance to protect a director where he failed to exercise a proper standard of care (s. 135).
12. Provision has been made for liability of insiders of non-offering corporations (s. 137).
13. The periods for retaining records by transfer agents, etc., have been standardized (s. 142).
14. A non-offering corporation is exempt from the audit requirements of the Act in a financial year if all of the shareholders consent and if its assets do not exceed \$2,500,000 or its sales \$5,000,000 or if it has been exempted by the Director following application and hearing (s. 147).

15. The auditor's report is required to be made in accordance with generally accepted auditing standards (s. 151).
16. Accounting rules for financial statements have been removed from the Act and will be set out in the regulations. Statements will be required to be reported and prepared in accordance with generally accepted accounting principles (s. 153).
17. Short form of amalgamation with affiliates has been provided for (s. 175).
18. The rights of dissenting shareholders to have their shares purchased by the corporation have been expanded to offering corporations (s. 183).
19. Provision is made for expropriation of the shares of a minority of an offering corporation where 90 per cent of non-insiders accept a take over bid or 90 per cent of the holders of a class of security accept an issuer bid (s. 186).
20. Provision is made so that where 90 per cent of a class of shares of an offering corporation has been acquired by an affiliate, a holder of any of the remaining 10 per cent may force the purchase of his shares (s. 187).
21. Provision has been made to protect minority shareholders in "going private" transactions in public offering companies subject to exemption on application to the Commission (s. 188).
22. For the purpose of a hearing to determine whether sufficient cause exists for cancellation of a certificate of incorporation and dissolution of a corporation, the term "sufficient cause" is defined in part (s. 238).
23. The time within which an application for revival may be made when a corporation has been dissolved for default in complying with *The Corporations Tax Act, 1972*, or failure to comply with the financial disclosure requirements of *The Securities Act, 1978* has been increased from two to five years (s. 239).
24. The existing provision for representative action on behalf of the corporation has been maintained but a new provision setting out in some detail the type of court orders that may be made has been added (s. 244).
25. An oppression remedy has been provided for minority shareholders, creditors and others (s. 246).
26. Provision has also been made for interim injunctive relief on *ex parte* application (s. 252).
27. The new Act will apply to existing Ontario corporations automatically. The transition section provides that any valid corporate provisions which do not conform to the new Act are deemed to be amended to the extent necessary to bring the terms of such provisions into conformity with the new Act (s. 274).



BILL 229

1980

## An Act to revise The Business Corporations Act

**H**ER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

### PART I

#### DEFINITIONS AND APPLICATION

**1.**—(1) In this Act,

Interpre-  
tation

1. “affairs” means the relationships among a corporation, its affiliates and the shareholders, directors and officers of such bodies corporate but does not include the business carried on by such bodies corporate;
2. “affiliate” means an affiliated body corporate within the meaning of subsection 4;
3. “articles” means the original or restated articles of incorporation, articles of amendment, articles of amalgamation, articles of arrangement, articles of continuance, articles of dissolution, articles of reorganization, articles of revival, letters patent, supplementary letters patent, a special Act and any other instrument by which a corporation is incorporated;
4. “associate”, where used to indicate a relationship with any person, means,
  - i. any body corporate of which the person beneficially owns, directly or indirectly, voting securities carrying more than 10 per cent of the voting rights attached to all voting securities of the body corporate for the time being outstanding,
  - ii. any partner of that person,

- iii. any trust or estate in which the person has a substantial beneficial interest or as to which the person serves as trustee or in a similar capacity, or
  - iv. any relative of the person, including his spouse, or of his spouse who has the same home as such person;
- 5. “auditor” includes a partnership of auditors;
- 6. “beneficial interest” or “beneficial ownership” includes ownership through a trustee, legal representative, agent or other intermediary;
- 7. “body corporate” means any body corporate with or without share capital and whether or not it is a corporation to which this Act applies;
- 8. “certified copy” means,
  - i. in relation to a document of a corporation, a copy of the document certified to be a true copy by an officer thereof,
  - ii. in relation to a document issued by a court, a copy of the document certified to be a true copy under the seal of the court and signed by the registrar or clerk thereof,
  - iii. in relation to a document in the custody of the Director, a copy of the document certified to be a true copy by the Director and signed by the Director or by such officer of the Ministry as is designated by the regulations;
- 9. “Commission” means the Ontario Securities Commission;
- 10. “corporation” means a body corporate with share capital to which this Act applies;
- 11. “corporation number” means the number assigned by the Director to a corporation in accordance with subsection 1 of section 8 and “number” in relation to a corporation means the corporation number of that corporation;
- 12. “court” means the Supreme Court of Ontario presided over by one of those judges of the High Court who are designated by the Chief Justice of the High Court for the purpose of hearing applications under this Act;

13. "day" means a clear day and a period of days shall be deemed to commence the day following the event that began the period and shall be deemed to terminate at midnight of the last day of the period except that if the last day of the period falls on a Sunday or holiday the period shall terminate at midnight of the day next following that is not a Sunday or holiday;
14. "debt obligation" means a bond, debenture, note or other similar obligation or guarantee of such an obligation of a body corporate, whether secured or unsecured;
15. "Director" means the Director appointed under section 275;
16. "director" means a person occupying the position of director of a corporation by whatever name called and "directors" and "board of directors" include a single director;
17. "endorse" means imprinting a stamp on the face of articles or other document sent to the Director;
18. "financial statement" means a financial statement referred to in section 152;
19. "incorporator" means a person who signs articles of incorporation;
20. "individual" means a natural person, but does not include a partnership, unincorporated association, unincorporated syndicate, unincorporated organization, trust, or a natural person in his capacity as trustee, executor, administrator or other legal personal representative;
21. "interim financial statement" means a financial statement referred to in section 158;
22. "liability" includes a debt of a corporation arising under section 36, subsection 27 of section 183 or clause *f* or *g* of subsection 3 of section 246;
23. "Minister" means the Minister of Consumer and Commercial Relations or such other member of the Executive Council to whom the administration of this Act may be assigned;
24. "Ministry" means the Ministry of the Minister;
25. "non-resident corporation" means a corporation incorporated in Canada before the 27th day of April, 1965,

1970-71,  
c. 63 (Can.)

and that is not deemed to be resident in Canada for the purposes of the *Income Tax Act* (Canada) by subsection 4 of section 250 of that Act;

26. “number name” means the name of a corporation that consists only of its corporation number followed by the word “Ontario” and one of the words or abbreviations provided for in subsection 1 of section 10;
27. “offering corporation” means a corporation that is offering its securities to the public within the meaning of subsection 6 and that is not the subject of an order of the Commission deeming it to have ceased to be offering its securities to the public;
28. “officer” means an officer designated under section 132 and includes the chairman of the board of directors, a vice-chairman of the board of directors, the president, a vice-president, the secretary, an assistant secretary, the treasurer, an assistant treasurer and the general manager of a corporation, and any other individual designated an officer of a corporation by by-law or by resolution of the directors or any other individual who performs functions for a corporation similar to those normally performed by an individual occupying any such office;
29. “ordinary resolution” means a resolution passed by a majority of the votes cast by the shareholders who voted in respect of that resolution;
30. “person” includes an individual, sole proprietorship, partnership, unincorporated association, unincorporated syndicate, unincorporated organization, trust, body corporate, and a natural person in his capacity as trustee, executor, administrator, or other legal representative;
31. “personal representative”, where used with reference to holding shares in that capacity, means an executor, administrator, guardian, tutor, trustee, receiver or liquidator or the committee of or curator to a mentally incompetent person;
32. “prescribed” means prescribed by the regulations;
33. “redeemable share” means a share issued by a corporation,
  - i. that the corporation may purchase or redeem upon the demand of the corporation, or

- ii. that the corporation is required by its articles to purchase or redeem at a specified time or otherwise upon the demand of a shareholder;
- 34. "registered office" means the office of a corporation located at the address specified in its articles or in the notice most recently filed by the corporation under subsection 3 of section 14;
- 35. "regulations" means the regulations made under this Act;
- 36. "related person", where used to indicate a relationship with any person, means,
  - i. any spouse, son or daughter of that person,
  - ii. any relative of the person or of his spouse, other than a relative referred to in subparagraph i, who has the same home as the person, or
  - iii. any body corporate of which the person and any of the persons referred to in subparagraph i or ii or the partner or employer of the person, either alone or in combination, beneficially owns, directly or indirectly, voting securities carrying more than 50 per cent of the voting rights attached to all voting securities of the body corporate for the time being outstanding;
- 37. "resident Canadian" means an individual who is,
  - i. a Canadian citizen ordinarily resident in Canada,
  - ii. a Canadian citizen not ordinarily resident in Canada who is a member of a prescribed class of persons, or
  - iii. a permanent resident within the meaning of the *Immigration Act, 1976* (Canada) and ordinarily resident in Canada, except a permanent resident who has been ordinarily resident in Canada for more than one year after the time at which he first became eligible to apply for Canadian citizenship;
- 38. "security" means a share of any class or series of shares or a debt obligation of a body corporate and includes a certificate evidencing such a share or debt obligation;

1976-77,  
c. 52 (Can.)

39. “security interest” means an interest in or charge upon the property of a body corporate by way of mortgage, hypothec, pledge or otherwise, to secure payment of a debt or performance of any other obligation of the body corporate;
40. “send” includes deliver or mail;
41. “senior officer” means,
- i. the chairman of the board of directors, a vice-chairman of the board of directors, the president, a vice-president, the secretary, the treasurer or the general manager of a corporation or any other individual who performs functions for a corporation similar to those normally performed by an individual occupying any such office, and
  - ii. each of the five highest paid employees of a corporation, including any individual referred to in subparagraph i;
42. “series”, in relation to shares, means a division of a class of shares;
43. “special resolution” means a resolution that is,
- i. passed by at least two-thirds of the votes cast at a special meeting of the shareholders of the corporation duly called for the purpose, or
  - ii. consented to in writing by each shareholder of the corporation entitled to vote at such a meeting or his attorney authorized in writing;
44. “unanimous shareholder agreement” means an agreement described in subsection 2 of section 107 or a declaration of a shareholder described in subsection 3 of section 107;
45. “voting security” means any security other than a debt obligation of a body corporate carrying a voting right either under all circumstances or under some circumstances that have occurred and are continuing.



46. "warrant" means any certificate or other document issued by a corporation as evidence of conversion privileges or options or rights to acquire securities of the corporation. R.S.O. 1970, c. 53, s. 1 (1); 1971, c. 26, s. 1; 1972, c. 1, ss. 1, 30; 1972, c. 138, s. 1 (1-4); 1974, c. 26, s. 1; 1978, c. 49, s. 1; 1979, c. 36, s. 1.

(2) For the purposes of this Act, a body corporate shall be deemed to be a subsidiary of another body corporate if, but only if, Interpretation:  
subsidiary  
body  
corporate

(a) it is controlled by,

(i) that other, or

(ii) that other and one or more bodies corporate each of which is controlled by that other, or

(iii) two or more bodies corporate each of which is controlled by that other; or

(b) it is a subsidiary of a body corporate that is that other's subsidiary.

(3) For the purposes of this Act, a body corporate shall be deemed to be another's holding body corporate if, but only if, that other is its subsidiary. Holding  
body  
corporate

(4) For the purposes of this Act, one body corporate shall be deemed to be affiliated with another body corporate if, but only if, one of them is the subsidiary of the other or both are subsidiaries of the same body corporate or each of them is controlled by the same person. R.S.O. 1970, c. 53, s. 1 (2-4). Affiliated  
body  
corporate

(5) For the purposes of this Act, a body corporate shall be deemed to be controlled by another person or by two or more bodies corporate if, but only if, Control

(a) voting securities of the first-mentioned body corporate carrying more than 50 per cent of the votes for the election of directors are held, other than by way of security only, by or for the benefit of such other person or by or for the benefit of such other bodies corporate; and

(b) the votes carried by such securities are sufficient, if exercised, to elect a majority of the board of directors of the first-mentioned body corporate. R.S.O. 1970, c. 53, s. 1 (5), *amended*.

(6) For the purposes of this Act, a corporation is offering its securities to the public only where, Offering  
securities  
to public

1978, c. 47

- (a) in respect of any of its securities a prospectus, statement of material facts or securities exchange take-over bid or issuer bid circular has been filed under *The Securities Act, 1978* or any predecessor thereof, or in respect of which a prospectus has been filed under *The Corporations Information Act*, being chapter 72 of the Revised Statutes of Ontario, 1960, or any predecessor thereof, so long as any of such securities are outstanding or any securities into which such securities are converted are outstanding; or
- (b) any of its securities have been at any time since the 1st day of May, 1967, listed and posted for trading on any stock exchange in Ontario recognized by the Commission regardless of when such listing and posting for trading commenced,

except that where, upon the application of a corporation that has fewer than fifteen security holders, the Commission is satisfied, in its discretion, that to do so would not be prejudicial to the public interest, the Commission may order, subject to such terms and conditions as the Commission may impose, that the corporation shall be deemed to have ceased to be offering its securities to the public. 1972, c. 138, s. 1 (5); 1978, c. 49, s. 1 (6, 7).

Execution of documents

(7) Any articles, notice, resolution, requisition, statement or other document required or permitted to be executed by more than one person for the purposes of this Act may be executed in several documents of like form each of which is executed by one or more of such persons, and such documents, when duly executed by all persons required or permitted, as the case may be, to do so, shall be deemed to constitute one document for the purposes of this Act. *New.*

Applications

**2.—(1)** This Act, except where it is otherwise expressly provided, applies,

- (a) to every corporation incorporated by or under a general or special Act of the Parliament of the former Province of Upper Canada;
- (b) to every corporation incorporated by or under a general or special Act of the Parliament of the former Province of Canada that has its registered office and carries on business in Ontario; and
- (c) to every corporation incorporated by or under a general or special Act of the Legislature,



but this Act does not apply to a corporation within the meaning of *The Loan and Trust Corporations Act* except as provided by that Act. R.S.O. 1970, c. 53, s. 2 (1), *amended*. R.S.O. 1970, c. 254

(2) Notwithstanding *The Railways Act*, being chapter 331 of the Revised Statutes of Ontario, 1950, and subject to subsection 5 of section 166, this Act applies to a corporation that is a company as defined in that Act but that is not engaged in constructing or operating a railway, street railway or incline railway. *New*. Idem

(3) This Act does not apply to a corporation that, Idem

(a) is a company within the meaning of *The Corporations Act* and has objects in whole or in part of a social nature; R.S.O. 1970, c. 89

(b) is a corporation to which *The Co-operative Corporations Act*, 1973 applies; 1973, c. 101

(c) is a corporation that is an insurer within the meaning of subsection 1 of section 161 of *The Corporations Act*;

(d) is a corporation to which *The Credit Unions and Caisses Populaires Act*, 1976 applies. R.S.O. 1970, c. 53, s. 2 (2), *amended*. 1976, c. 62

## PART II

### INCORPORATION

**3.**—(1) Where the practice of a profession is governed by an Act, a corporation may practise the profession only if that Act expressly permits the practice of the profession by a corporation and subject to the provisions of such Act. R.S.O. 1970, c. 53, s. 3 (3), *amended*. Professions

(2) A corporation may be incorporated under this Act with its powers restricted to lending and investing money on mortgage of real estate or otherwise, or with its powers restricted to accepting and executing the office of liquidator, receiver, assignee, trustee in bankruptcy or trustee for the benefit of creditors and to accepting the duty of and acting generally in the winding up of corporations, partnerships and estates, other than estates of deceased persons, and shall not by reason thereof be deemed to be a corporation within the meaning of *The Loan and Trust Corporations Act*, but the number of its shareholders, exclusive of persons who are in the employment of the corporation, shall be limited by its articles to five, and no such corporation shall issue debt obligations except to its shareholders, or borrow money on the security of its property except from its shareholders, or receive money on Incorporation R.S.O. 1970, c. 254

deposit or offer its securities to the public. R.S.O. 1970, c. 53, s. 3 (2), *amended*.

Articles of  
incorporation

4.—(1) One or more individuals or bodies corporate or any combination thereof may incorporate a corporation by signing articles of incorporation and complying with section 6.

Idem

(2) Subsection 1 does not apply to an individual who,

- (a) is less than eighteen years of age;
- (b) is of unsound mind and has been so found by a court in Canada or elsewhere; or
- (c) has the status of bankrupt. R.S.O. 1970, c. 53, s. 4 (1); 1971, c. 98, s. 4, Sched., par. 4, *amended*.

Contents of  
articles

5.—(1) Articles of incorporation shall follow the prescribed form and shall set out, in respect of the proposed corporation,

- (a) the name of the corporation;
- (b) the municipality or geographic township within Ontario and the address including street name and number, if any, where the registered office is to be located;
- (c) the classes and any maximum number of shares that the corporation is authorized to issue, and
  - (i) if there are to be two or more classes of shares, the rights, privileges, restrictions and conditions attaching to each class of shares, and
  - (ii) if a class of shares may be issued in series, the authority given to the directors to fix the number of shares in, and to determine the designation of, and the rights, privileges, restrictions and conditions attaching to the shares of, each series;
- (d) if the right to transfer shares of the corporation is to be restricted, a statement that the right to transfer shares is restricted and the nature of the restriction;
- (e) the number of directors or, subject to section 119, the minimum and maximum number of directors, and, for each director,
  - (i) the surname of the director,
  - (ii) the first or other given name by which the director is commonly known,

- (iii) the first letters of the other given names, if any, of the director,
  - (iv) the address, including the street name and number, if any, of the director's residence, and
  - (v) whether the director is a resident Canadian;
- (f) any restrictions on the business that the corporation may carry on or on the powers that the corporation may exercise;
- (g) for each incorporator who is an individual,
- (i) the surname of the individual,
  - (ii) the first or other given name by which the individual is commonly known,
  - (iii) the first letters of the other given names, if any, of the individual, and
  - (iv) the address including the street name and number, if any, of the individual's residence,
- and for each incorporator that is a body corporate,
- (v) the corporate name, and
  - (vi) the location of its registered office or principal place of business, including the street name and number, if any; and
- (h) any other matter required by this Act or the regulations to be set out in the articles. R.S.O. 1970, c. 53, s. 4 (2), *amended*.

(2) If the articles name as first director an individual who is not an incorporator, his consent, in prescribed form, to act as a first director shall accompany the articles. Where consent required

(3) The articles may set out any provisions permitted by this Act or permitted by law to be set out in the by-laws of the corporation. Provisions in articles

(4) Subject to subsection 5, if a greater number of votes of directors or shareholders are required by the articles or a unanimous shareholder agreement than are required by this Act to effect any action, the provisions of the articles or of the unanimous shareholder agreement prevail. Where articles, etc., prevail

Votes to  
remove  
director

(5) The articles shall not require a greater number of votes of shareholders to remove a director than the number specified in section 121. *New.*

Certificate of  
incorporation

6. An incorporator shall send to the Director articles of incorporation and, upon receipt of the articles, the Director shall endorse thereon, in accordance with section 271, a certificate which shall constitute the certificate of incorporation. 1979, c. 36, s. 3, *part, amended.*

Certificate of  
incorporation

7. A certificate of incorporation is conclusive proof that the corporation has been incorporated under this Act on the date set out in the certificate, except in a proceeding under section 238 to cancel the certificate for cause. 1979, c. 36, s. 3, *part.*

Assignment of  
number

8.—(1) Every corporation shall be assigned a number by the Director and such number shall be specified as the corporation number in the certificate of incorporation and in any other certificate relating to the corporation endorsed or issued by the Director.

Idem

(2) Where no name is specified in the articles that are delivered to the Director, the corporation shall be assigned a number name.

Idem

(3) Where, through inadvertence or otherwise, the Director has assigned to a corporation a corporation number or number name that is the same as the number or name of any other corporation previously assigned, the Director may, without holding a hearing, issue a certificate of amendment to the articles of the corporation changing the number or name assigned to the corporation and, upon the issuance of the certificate of amendment, the articles are amended accordingly.

Idem

(4) Where for any reason the Director has endorsed a certificate on articles that sets out the corporation number incorrectly, the Director may substitute a corrected certificate that bears the date of the certificate it replaces.

Idem

(5) The file number that has been assigned to each corporation by the Minister prior to this section coming into force shall be deemed to be that corporation's number. 1979, c. 36, s. 4, *amended.*

Name  
prohibition

9.—(1) Subject to subsection 2, a corporation shall not have a name,

(a) that contains a word or expression prohibited by the regulations;

(b) that is the same as or, except where a number name is proposed, similar to,

(i) the name of a known,

a. body corporate,

b. trust,

c. association,

d. partnership,

e. sole proprietorship, or

f. individual,

whether in existence or not, or

(ii) the known name under which any body corporate, trust, association, partnership, sole proprietorship, or individual, carries on business or identifies itself,

if the use of that name would be likely to deceive; or

(c) that does not meet the requirements prescribed by the regulations.

(2) A corporation may have a name described in clause *b* of subsection 1 upon complying with conditions prescribed by the regulations. Exception to  
subs. 1

(3) There shall be filed with the Director such documents relating to the name of the corporation as may be prescribed by the regulations. 1979, c. 36, s. 5. Documents  
filed

**10.**—(1) The word “Limited”, “Limitée”, “Incorporated”, “Incorporée”, or “Corporation” or the corresponding abbreviations “Ltd.”, “Ltée”, “Inc.” or “Corp.” shall be part, in addition to any use in a figurative or descriptive sense, of the name of every corporation, but a corporation may be legally designated by either the full or the abbreviated form. Use of  
“Limited”,  
“Limitée”, etc.

(2) Subject to the provisions of this Act and the regulations, a corporation may set out its name in its articles in an English form, a French form, an English form and a French form or a combined English and French form and it may be legally designated by any such name. Corporate  
name

(3) For the purposes of subsections 1 and 2, only letters from the alphabet of the English language or Arabic numerals or a combi- Idem



nation thereof, together with such punctuation marks and other marks as are permitted by regulation, may form part of the name of a corporation.

Idem

(4) Subject to the provisions of this Act and the regulations, a corporation may have in its articles a special provision permitting it to set out its name in any language and the corporation may be legally designated by that name.

Idem

(5) Notwithstanding subsection 4, a corporation shall set out its name in legible characters in all contracts, invoices, negotiable instruments and orders for goods or services issued or made by or on behalf of the corporation and in all documents sent to the Director under this Act.

Unauthorized use of "Limited", etc.

**11.**—(1) No person, while not incorporated, shall trade or carry on a business or undertaking under a name in which "Limited", "Incorporated" or "Corporation" or any abbreviation thereof, or any version thereof in another language, is used.

Idem

(2) Where a corporation carries on business or identifies itself to the public by a name or style other than as provided in the articles, that name or style shall not include the word "Limited", "Incorporated", or "Corporation" or any abbreviation thereof or any version thereof in another language.

Change of name if objectionable

**12.**—(1) If a corporation, through inadvertence or otherwise, has acquired a name contrary to section 9, the Director may, after giving the corporation an opportunity to be heard, issue a certificate of amendment to the articles changing the name of the corporation to a name specified in the certificate and, upon the issuance of the certificate of amendment, the articles are amended accordingly.

Failure to perform undertaking

(2) Where an undertaking to dissolve or change its name is given by a corporation and the undertaking is not carried out within the time specified, the Director may, after giving the corporation an opportunity to be heard, issue a certificate of amendment to the articles changing the name of the corporation to a name specified in the certificate and, upon the issuance of a certificate of amendment, the articles are amended accordingly.

Idem

(3) Where an undertaking to dissolve or change its name is given by a person who is not a corporation and the undertaking is not carried out within the time specified, the Director may, after giving the corporation that acquired the name by virtue of such undertaking an opportunity to be heard, issue a certificate of amendment to the articles changing the name of the corporation to a name specified in the certificate and, upon the issuance of the

certificate, the articles are amended accordingly. 1979, c. 36, s. 8, *amended*.

**13.** A corporation may, but need not, have a corporate seal. R.S.O. 1979, c. 53, s. 13 (1), *amended*. Corporate seal

**14.**—(1) A corporation shall at all times have a registered office in the municipality or geographic township within Ontario specified in its articles. Registered office

(2) The head office of every corporation incorporated prior to the day this Act comes into force shall be deemed to be the registered office of the corporation. Idem

(3) A corporation may by resolution of its directors change the location of its registered office within a municipality or geographic township and shall, within ten days after the passing of the resolution, file a notice of change under *The Corporations Information Act, 1976*. Change of address  
1976, c. 66

(4) Failure to comply with subsection 3 does not affect the validity of the resolution. R.S.O. 1970, c. 53, s. 14, *amended*. Validity

**15.** A corporation has the capacity and the rights, powers and privileges of a natural person. R.S.O. 1970, c. 53, s. 15 (1); 1972, c. 138, s. 6, *amended*. Corporate powers

**16.** A corporation has the capacity to carry on its business, conduct its affairs and exercise its powers in any jurisdiction outside Ontario to the extent that the laws of such jurisdiction permit. R.S.O. 1970, c. 53, s. 15 (4), *amended*. Capacity to act outside Ontario

**17.**—(1) It is not necessary for a by-law to be passed in order to confer any particular power on the corporation or its directors. *New.* Corporate power not dependent on by-law

(2) A corporation shall not carry on any business or exercise any power that it is restricted by its articles from carrying on or exercising, nor shall the corporation exercise any of its powers in a manner contrary to its articles. R.S.O. 1970, c. 53, s. 15 (3), *amended*. Power limited by articles, etc.

(3) Notwithstanding subsection 2 and subsection 2 of section 3, no act of a corporation including a transfer of property to or by the corporation is invalid by reason only that the act is contrary to its articles, by-laws, a unanimous shareholder agreement or this Act. R.S.O. 1970, c. 53, s. 16 (1), *amended*. Acting outside powers

**18.** No person is affected by or is deemed to have notice or knowledge of the contents of a document concerning a corporation Where notice is not deemed

by reason only that the document has been filed with the Director or is available for inspection at an office of the corporation. *New.*

Indoor  
management  
rule

**19.** A corporation or a guarantor of an obligation of a corporation may not assert against a person dealing with the corporation or with any person who has acquired rights from the corporation that,

1976, c. 66

- (a) the articles, by-laws or any unanimous shareholder agreement have not been complied with;
- (b) the persons named in the most recent notice filed under *The Corporations Information Act, 1976*, or named in the articles, whichever is more current, are not the directors of the corporation;
- (c) the location named in the most recent notice filed under subsection 3 of section 14 or named in the articles, whichever is more current, is not the registered office of the corporation;
- (d) a person held out by a corporation as a director, an officer or an agent of the corporation has not been duly appointed or does not have authority to exercise the powers and perform the duties that are customary in the business of the corporation or usual for such director, officer or agent;
- (e) a document issued by any director, officer or agent of a corporation with actual or usual authority to issue the document is not valid or not genuine; or
- (f) financial assistance referred to in section 20 or a sale, lease or exchange of property referred to in subsection 3 of section 182 was not authorized,

except where the person has or ought to have, by virtue of his position with or relationship to the corporation, knowledge to that effect. *New.*

Financial  
assistance by  
corporation

**20.**—(1) Except as permitted under subsection 2, a corporation or any corporation with which it is affiliated, shall not, directly or indirectly, give financial assistance by means of a loan, guarantee or otherwise,

- (a) to any shareholder, director, officer or employee of the corporation or affiliated corporation or to an associate of any such person for any purpose; or



- (b) to any person for the purpose of or in connection with a purchase of a share, or a security convertible into or exchangeable for a share, issued or to be issued by the corporation or affiliated corporation,

where there are reasonable grounds for believing that,

- (c) the corporation is or, after giving the financial assistance, would be unable to pay its liabilities as they become due; or
- (d) the realizable value of the corporation's assets, excluding the amount of any financial assistance in the form of a loan and in the form of assets pledged or encumbered to secure a guarantee, after giving the financial assistance, would be less than the aggregate of the corporation's liabilities and stated capital of all classes.

(2) A corporation may give financial assistance by means of a <sup>Idem</sup> loan, guarantee or otherwise,

- (a) to any person in the ordinary course of business if the lending of money is part of the ordinary business of the corporation;
- (b) to any person on account of expenditures incurred or to be incurred on behalf of the corporation;
- (c) to its holding body corporate if the corporation is a wholly owned subsidiary of the holding body corporate;
- (d) to a subsidiary body corporate of the corporation;
- (e) to employees of the corporation or any of its affiliates,
  - (i) to enable or assist them to purchase or erect living accommodation for their own occupation, or
  - (ii) in accordance with a plan for the purchase of shares of the corporation or any of its affiliates.

(3) A contract made by a corporation in contravention of this section may be enforced by the corporation or by a lender for value in good faith without notice of the contravention. *New.* <sup>Validity of contract</sup>

**21.**—(1) Except as provided in this section, a person who enters into an oral or written contract in the name of or on behalf of a corporation before it comes into existence is personally bound by the contract and is entitled to the benefits thereof. <sup>Contract prior to corporate existence</sup>

Adoption of  
contract by  
corporation

(2) A corporation may, within a reasonable time after it comes into existence, by any action or conduct signifying its intention to be bound thereby, adopt an oral or written contract made before it came into existence in its name or on its behalf, and upon such adoption,

- (a) the corporation is bound by the contract and is entitled to the benefits thereof as if the corporation had been in existence at the date of the contract and had been a party thereto; and
- (b) a person who purported to act in the name of or on behalf of the corporation ceases, except as provided in subsection 3, to be bound by or entitled to the benefits of the contract.

Non-adoption  
of contract

(3) Except as provided in subsection 4, whether or not an oral or written contract made before the coming into existence of a corporation is adopted by the corporation, a party to the contract may apply to a court for an order fixing obligations under the contract as joint or joint and several or apportioning liability between the corporation and the person who purported to act in the name of or on behalf of the corporation, and, upon such application, the court may make any order it thinks fit.

Exception to  
subsection 1

(4) If expressly so provided in the oral or written contract referred to in subsection 1, a person who purported to act in the name of or on behalf of the corporation before it came into existence is not in any event bound by the contract or entitled to the benefits thereof. R.S.O. 1970, c. 53, s. 20, *amended*.

## PART III

### CORPORATE FINANCE

Shares

**22.**—(1) Shares of a corporation shall be in registered form and shall be without nominal or par value.

Idem

(2) Shares with nominal or par value of a corporation incorporated before the day this Act comes into force are deemed to be shares without nominal or par value.

Rights of  
shareholders

(3) Where a corporation has only one class of shares, the rights of the holders thereof are equal in all respects and include the rights,

- (a) to vote at all meetings of shareholders; and
- (b) to receive the remaining property of the corporation upon dissolution.

(4) The articles may provide for more than one class of shares and where they so provide, Idem

(a) the rights, privileges, restrictions and conditions attaching to the shares of each class shall be set out therein; and

(b) each of the rights set out in subsection 3 shall be attached to at least one class of shares, but both such rights are not required to be attached to any one class. R.S.O. 1970, c. 53, s. 24, *amended*.

(5) Except as provided in section 25, each share of a class shall be the same in all respects as every other share of that class. R.S.O. 1970, c. 53, s. 28. Shares within a class equal

**23.**—(1) Subject to the articles, the by-laws, any unanimous shareholder agreement and section 26, shares may be issued at such time and to such persons and for such consideration as the directors may determine. Issuance of shares

(2) Shares issued by a corporation are non-assessable and the holders are not liable to the corporation or to its creditors in respect thereof. *New*. Shares non-assessable

(3) A share shall not be issued until the consideration for the share is fully paid in money or in property or past service that is not less in value than the fair equivalent of the money that the corporation would have received if the share had been issued for money. R.S.O. 1970, c. 53, s. 44 (4), *amended*. Fully-paid shares

(4) In determining whether property or past service is the fair equivalent of a money consideration, the directors may take into account reasonable charges and expenses of organization and reorganization and payments for property and past service reasonably expected to benefit the corporation. Idem

(5) The directors shall, in connection with the issue of any share not issued for money, determine, Value determined by directors

(a) the amount of money the corporation would have received if the share had been issued for money; and

(b) either,

(i) the fair value of the property or past service in consideration of which the share is issued, or

(ii) that such property or past service has a fair value that is not less than the amount of money referred to in clause *a*.

Interpre-  
tation of  
property

1970-71,  
c. 63 (Can.)

Separate  
capital  
account

Idem

Exception to  
subs. 2

(6) For the purposes of subsection 3, a document evidencing indebtedness of a person to whom shares are to be issued, or of any other person not dealing at arm's length with such person within the meaning of that term in the *Income Tax Act* (Canada), does not constitute property. *New.*

**24.—(1)** A corporation shall maintain a separate stated capital account for each class and series of shares it issues.

(2) A corporation shall add to the appropriate stated capital account the full amount of any consideration it receives for any shares it issues.

(3) Notwithstanding subsection 2, where a corporation issues shares,

(a) in exchange for,

(i) property of a person who immediately before the exchange does not deal with the corporation at arm's length within the meaning of that term in the *Income Tax Act* (Canada), or

(ii) shares of a body corporate that immediately before the exchange or that, because of the exchange, does not deal with the corporation at arm's length within the meaning of that term in the *Income Tax Act* (Canada); or

(b) under an agreement referred to in subsection 1 of section 173 or an arrangement referred to in clause *c* or *d* of subsection 1 of section 180 or to shareholders of an amalgamating corporation who receive the shares in addition to or instead of securities of the amalgamated corporation,

the corporation,

(c) shall not be required to comply with subsection 3 of section 23 provided that the shares are not issued by the corporation until the consideration therefor is fully paid; and

(d) may, subject to subsection 4, add all or any portion of the consideration it received for the shares to the appropriate stated capital account.

Addition to  
stated capital  
account

(4) On the issue of a share, a corporation shall not add to a stated capital account in respect of the share an amount greater than the amount of the consideration it received for the share.

(5) Notwithstanding subsection 2, on the day this Act comes into force or at such time thereafter as a corporation has been continued under this Act, as the case may be, the amount in the stated capital account maintained by a corporation in respect of each class or series of shares then issued shall be equal to the aggregate amount paid up on the shares of each such class or series of shares immediately prior thereto, and, after such time, a corporation may, upon complying with subsection 6, add to the stated capital account maintained by it in respect of any class or series of shares any amount it has credited to a retained earnings or other surplus account.

Stated capital at time of coming into force or continuance

(6) Where a corporation proposes to add any amount to a stated capital account that it maintains in respect of a class or series of shares otherwise than under subsection 2 of section 38, the addition to the stated capital account must be approved by special resolution if,

Additions to stated capital account

(a) the amount to be added,

(i) was not received by the corporation as consideration for the issue of shares, or

(ii) was received by the corporation as consideration for the issue of shares but does not form part of the stated capital attributable to such shares; and

(b) the corporation has outstanding shares of more than one class or series.

(7) Where a class or series of shares of a corporation would be affected by the addition of an amount to any stated capital account under subsection 6 in a manner different from the manner in which any other class or series of shares of the corporation would be affected by such action, the holders of the differently affected class or series of shares are entitled to vote separately as a class or series, as the case may be, on the proposal to take the action, whether or not such shares otherwise carry the right to vote.

Idem

(8) Stated capital accounts of a corporation may be expressed in one or more currencies.

Expressed in one or more currencies

(9) A corporation shall not reduce its stated capital or any stated capital account except in the manner provided in this Act.

Reduction in stated capital

(10) The provisions of this Act relating to stated capital do not apply to an open-end mutual fund.

Non-application of Act

(11) For the purposes of this section, "open-end mutual fund" means an offering corporation that carries on only the business of

Interpretation



investing the consideration it receives for the shares it issues, and all or substantially all the shares of which are redeemable upon the demand of the holders of such shares. R.S.O. 1970, c. 53, s. 32, *amended*.

Special shares  
in series

**25.—(1)** The articles may authorize the issue of any class of shares in one or more series and may authorize the directors to fix the number of shares in, and to determine the designation, rights, privileges, restrictions and conditions attaching to the shares of, each series, subject to the limitations set out in the articles.

Proportionate  
abatement

(2) If any amount,

(a) of cumulative dividends, whether or not declared, or declared non-cumulative dividends; or

(b) payable on return of capital in the event of the liquidation, dissolution or winding up of a corporation,

in respect of shares of a series is not paid in full, the shares of the series shall participate rateably with the shares of all other series of the same class in respect of,

(c) all accumulated cumulative dividends, whether or not declared, and all declared non-cumulative dividends; or

(d) all amounts payable on return of capital in the event of the liquidation, dissolution or winding up of the corporation,

as the case may be.

No priority of  
shares of same  
class

(3) No rights, privileges, restrictions or conditions attached to a series of shares authorized under this section shall confer upon the shares of a series a priority in respect of,

(a) dividends; or

(b) return of capital in the event of the liquidation, dissolution or winding up of the corporation,

over the shares of any other series of the same class. R.S.O. 1970, c. 53, s. 29, *amended*.

Articles  
designating  
special shares

(4) Before the issue of shares of a series authorized under this section, the directors shall send to the Director articles of amendment in the prescribed form designating such series of shares.

Certificate re  
special shares

(5) Upon receipt of articles of amendment designating a series of shares, the Director shall endorse thereon, in accordance with

section 271, a certificate which shall constitute the certificate of amendment. 1979, c. 36, s. 12, *amended*.

**26.** If it is so provided in the articles or a unanimous shareholder agreement, no shares of a class or series shall be issued unless the shares have first been offered to the shareholders of the corporation holding shares of that class or series or of another class or series on such terms as are provided in the articles or unanimous shareholder agreement. *New.* Pre-emptive rights

**27.—**(1) A corporation may issue warrants as evidence of conversion privileges or options or rights to acquire securities of the corporation, and shall set out the conditions thereof, Conversion privileges, et

(a) in certificates evidencing the securities to which the conversion privileges, options or rights are attached; or

(b) in separate certificates or other documents.

(2) Conversion privileges and options or rights to purchase securities of a corporation may be made transferable or non-transferable, and options or rights to purchase may be made separable or inseparable from any securities to which they are attached. Idem

(3) Where a corporation has granted privileges to convert any securities, other than shares issued by the corporation, into shares of the corporation or has issued or granted options or rights to acquire shares of the corporation and where the articles limit the number of authorized shares, the corporation shall reserve and continue to reserve sufficient authorized shares to meet the exercise of such conversion privileges, options and rights. *New.* Corporation to maintain sufficient reserve

**28.—**(1) Except as provided in subsection 2 and sections 29 to 32, a corporation, Subsidiaries not to hold shares of holding bodies corporate

(a) shall not hold shares in itself or in its holding body corporate; and

(b) shall not permit any of its subsidiary bodies corporate to hold shares of the corporation.

(2) A corporation shall cause a subsidiary body corporate of the corporation that holds shares of the corporation to sell or otherwise dispose of those shares within five years from, Disposal of shares

(a) the date the body corporate became a subsidiary of the corporation; or

- (b) if the subsidiary held such shares on the 30th day of April, 1954, and has continued from that date to hold such shares, the coming into force of this Act. 1971, c. 26, s. 12, *part*.

Exception to  
s. 30

**29.**—(1) A corporation may in the capacity of a legal representative hold shares in itself or in its holding body corporate unless it or the holding body corporate or a subsidiary of either of them has a beneficial interest in the shares.

Idem

(2) A corporation may permit a subsidiary body corporate to hold shares of the corporation in the capacity of a legal representative unless the corporation or the subsidiary body corporate or a subsidiary of either of them has a beneficial interest in the shares.

Idem

(3) A corporation may hold shares in itself or in its holding body corporate by way of security for the purposes of a transaction entered into by it in the ordinary course of a business that includes the lending of money. 1971, c. 26, s. 12, *part, amended*.

Corporation  
holding shares  
in itself

(4) A corporation holding, in the capacity of a legal representative, shares in itself or in its holding body corporate or a subsidiary body corporate of a corporation holding, in the capacity of a legal representative, shares of the corporation shall not vote or permit those shares to be voted unless the corporation or subsidiary body corporate, as the case may be,

- (a) holds the shares in the capacity of a legal representative; and

1978, c. 47

- (b) has complied with section 48 of *The Securities Act, 1978* where that section is applicable. *New*.

Purchase of  
issued shares  
permitted

**30.**—(1) Subject to subsection 2 and to its articles, a corporation may purchase or otherwise acquire any of its issued shares or warrants.

Where  
prohibited

(2) A corporation shall not make any payment to purchase or otherwise acquire shares issued by it if there are reasonable grounds for believing that,

- (a) the corporation is or, after the payment, would be unable to pay its liabilities as they become due; or
- (b) after the payment, the realizable value of the corporation's assets would be less than the aggregate of,

- (i) its liabilities, and



- (ii) its stated capital of all classes. 1972, c. 138, s. 13, *part, amended*.

**31.**—(1) Notwithstanding subsection 2 of section 30 but subject to subsection 3 of this section and to its articles, a corporation may purchase or otherwise acquire shares issued by it to, Where s. 30 (2) does not apply

- (a) settle or compromise a debt or claim asserted by or against the corporation;
- (b) eliminate fractional shares; or
- (c) fulfil the terms of a non-assignable agreement under which the corporation has an option or is obliged to purchase shares owned by a current or former director, officer or employee of the corporation.

(2) Notwithstanding subsection 2 of section 30, a corporation Idem may purchase or otherwise acquire shares issued by it to,

- (a) satisfy the claim of a shareholder who dissents under section 183; or
- (b) comply with an order under section 246.

(3) A corporation shall not make any payment to purchase or acquire under subsection 1 shares issued by it if there are reasonable grounds for believing that, Restriction on payment

- (a) the corporation is or, after the payment, would be unable to pay its liabilities as they become due; or
  - (b) after the payment, the realizable value of the corporation's assets would be less than the aggregate of,
    - (i) its liabilities, and
    - (ii) the amount that would be required to pay the holders of shares who have a right to be paid, on a redemption or in a liquidation, prior to the holders of the shares to be purchased or acquired.
- 1972, c. 138, s. 13, *part, amended*.

**32.**—(1) Notwithstanding subsection 2 of section 30 and subsection 3 of section 31, but subject to subsection 2 and to its articles, a corporation may purchase or redeem any redeemable shares issued by it at prices not exceeding the redemption price thereof stated in the articles or calculated according to a formula stated in the articles. Redemption of shares

Restriction  
on redemption

(2) A corporation shall not make any payment to purchase or redeem any redeemable shares issued by it if there are reasonable grounds for believing that,

- (a) the corporation is or, after the payment, would be unable to pay its liabilities as they become due; or
- (b) after the payment, the realizable value of the corporation's assets would be less than the aggregate of,
  - (i) its liabilities, and
  - (ii) the amount that would be required to pay the holders of shares who have a right to be paid, on a redemption or in a liquidation, rateably with or prior to the holders of the shares to be purchased or redeemed. *New.*

Donation of  
share

**33.** A corporation may accept from any shareholder a share of the corporation surrendered to it as a gift, but may not extinguish or reduce a liability in respect of an amount unpaid on any such share except in accordance with section 34. R.S.O. 1970, c. 53, s. 43 (1), *amended*.

Reduction of  
liability re  
unpaid share;  
stated capital

**34.—(1)** Subject to subsection 4, a corporation may by special resolution,

- (a) extinguish or reduce a liability in respect of an amount unpaid on any share; or
- (b) reduce its stated capital for any purpose including, without limiting the generality of the foregoing, for the purpose of,
  - (i) distributing to the holders of issued shares of any class or series of shares an amount not exceeding the stated capital of the class or series, or
  - (ii) declaring its stated capital to be reduced by,
    - a. an amount that is not represented by realizable assets, or
    - b. an amount otherwise determined in respect of which no amount is to be distributed to holders of issued shares of the corporation.

Right to  
vote where  
reduction  
under  
subs. 1

(2) Where a class or series of shares of a corporation would be affected by a reduction of stated capital under clause *b* of

subsection 1 in a manner different from the manner in which any other class or series of shares of the corporation would be affected by such action, the holders of the differently affected class or series of shares are entitled to vote separately as a class or series, as the case may be, on the proposal to take the action, whether or not the shares otherwise carry the right to vote.

(3) A special resolution under this section shall specify the stated capital account or accounts from which the reduction of stated capital effected by the special resolution will be made.

Account to be reduced specified

(4) A corporation shall not take any action to extinguish or reduce a liability in respect of an amount unpaid on a share or to reduce its stated capital for any purpose other than the purpose mentioned in sub-subclause a of subclause ii of clause b of subsection 1 if there are reasonable grounds for believing that,

Restriction on reduction

- (a) the corporation is or, after the taking of such action, would be unable to pay its liabilities as they become due; or
- (b) after the taking of such action, the realizable value of the corporation's assets would be less than the aggregate of its liabilities.

(5) A creditor of a corporation is entitled to apply to the court for an order compelling a shareholder or other recipient,

Application for order where improper reduction

- (a) to pay to the corporation an amount equal to any liability of the shareholder that was extinguished or reduced contrary to this section; or
- (b) to pay or deliver to the corporation any money or property that was paid or distributed to the shareholder or other recipient as a consequence of a reduction of capital made contrary to this section.

(6) An action to enforce a liability imposed by this section may not be commenced after two years from the date of the action complained of. *New.*

Time limitation

(7) Where it appears that there are numerous shareholders who may be liable under this section, the court may permit an action to be brought against one or more of them as representatives of the class and, if the plaintiff establishes his claim as creditor, may make an order of reference and add as parties in the referee's office all such shareholders as may be found, and the referee shall determine the amount that each should contribute towards the plaintiff's claim, which amount may not, in the case of any particular shareholder, exceed the amount referred to in subsection 5, and the referee may direct payment of the sums so determined. R.S.O. 1970, c. 53, s. 103 (4), *amended*.

Class action

Shareholder  
holding shares  
in fiduciary  
capacity

(8) No person holding shares in the capacity of a personal representative and registered on the records of the corporation as a shareholder and therein described as the personal representative of a named person is personally liable under this section, but the person named is subject to all liabilities imposed by this section. R.S.O. 1970, c. 53, s. 103 (5), *amended*.

s. 129,  
does not apply

(9) This section does not affect any liability that arises under section 129. *New*.

Amount  
deducted  
from account  
upon purchase,  
etc., of shares

**35.**—(1) Upon a purchase, redemption or other acquisition by a corporation under section 30, 31, 32, 40 or 183 or clause *f* of subsection 3 of section 246 of shares or fractional shares issued by it, the corporation shall deduct from the stated capital account maintained for the class or series of shares purchased, redeemed or otherwise acquired an amount equal to the result obtained by multiplying the stated capital of the shares of that class or series by a fraction, the numerator of which is the number of shares of that class or series or fractional shares purchased, redeemed or otherwise acquired, and the denominator of which is the number of issued shares of that class or series immediately before the purchase, redemption or other acquisition.

Idem

(2) A corporation shall deduct the amount of a payment made by the corporation to a shareholder under clause *g* of subsection 3 of section 246 from the stated capital account maintained for the class or series of shares in respect of which the payment was made.

Adjustment  
in stated  
capital account

(3) A corporation shall adjust its stated capital account or accounts in accordance with any special resolution referred to in subsection 3 of section 34.

Idem

(4) Upon a change under section 166, 184 or 246 of issued shares of a corporation, or upon a conversion of such shares pursuant to their terms, into shares of another class or series, the corporation shall,

(a) deduct from the stated capital account maintained for the class or series of shares changed or converted an amount equal to the result obtained by multiplying the stated capital of the shares of that class or series by the number of shares of that class or series changed or converted, and dividing by the number of issued shares of that class or series immediately before the change or conversion; and

(b) add the result obtained under clause *a* and any additional consideration received pursuant to the change or conversion to the stated capital account maintained or to

be maintained for the class or series of shares into which the shares have been changed or converted.

(5) For the purpose of subsection 4 and subject to its articles, where a corporation issues two classes or series of shares and there is attached to each class or series a right to convert a share of the one class or series into a share of the other class or series, the amount of stated capital attributable to a share in either class or series is the amount obtained when the sum of the stated capital of both classes or series of shares is divided by the number of issued shares of both classes or series of shares immediately before the conversion. Idem

(6) Shares of any class or series or fractional shares issued by a corporation and purchased, redeemed or otherwise acquired by it shall be cancelled or, if the articles limit the number of authorized shares of the class or series, may be restored to the status of authorized but unissued shares of the class. Status of shares purchased, etc.

(7) For the purposes of this section, a corporation holding shares in itself as permitted by subsections 1 and 2 of section 29 is deemed not to have purchased, redeemed or otherwise acquired such shares. *New.* Interpretation

(8) Where shares of a class or series are changed under section 166, 184 or 246, or converted pursuant to their terms, into the same or another number of shares of another class or series, such shares become the same in all respects as the shares of the class or series respectively into which they are changed or converted and, if the articles limit the number of shares of either of such classes or series, the number of authorized shares of such class or series is changed and the articles are amended accordingly. R.S.O. 1970, c. 53, s. 36 (5), *amended.* Conversion of shares

**36.**—(1) A contract with a corporation providing for the purchase of shares of the corporation by the corporation is specifically enforceable against the corporation except to the extent that the corporation cannot perform the contract without thereby being in breach of section 30 or 31. Contract with corporation re purchase of its shares

(2) In any action brought on a contract referred to in subsection 1, the corporation has the burden of proving that performance thereof is prevented by section 30 or 31. Idem

(3) Until the corporation has fully performed a contract referred to in subsection 1, the other party to the contract retains the status of a claimant entitled to be paid as soon as the corporation is lawfully able to do so or in a liquidation to be ranked subordinate to the rights of creditors but in priority to the other shareholders. *New.* Idem



Commission  
on sale  
of shares

**37.** The directors may authorize the corporation to pay a reasonable commission to any person in consideration of his purchasing or agreeing to purchase shares of the corporation from the corporation or from any other person, or procuring or agreeing to procure purchasers for any such shares. 1971, c. 26, s. 11, *amended*.

Declaration of  
dividends

**38.—**(1) The directors may declare and a corporation may pay a dividend by issuing fully paid shares of the corporation or options or rights to acquire fully paid shares of the corporation and, subject to subsection 3, a corporation may pay a dividend in money or property. R.S.O. 1970, c. 53, s. 153 (2), *amended*.

Stock dividend

(2) If shares of a corporation are issued in payment of a dividend, the corporation shall add to the stated capital account maintained or to be maintained for the shares of the class or series issued in payment of the dividend the declared amount of the dividend stated as an amount of money. R.S.O. 1970, c. 53, s. 155, *amended*.

When dividend  
not to be  
declared

(3) The directors shall not declare and the corporation shall not pay a dividend if there are reasonable grounds for believing that,

(a) the corporation is or, after the payment, would be unable to pay its liabilities as they become due; or

(b) the realizable value of the corporation's assets would thereby be less than the aggregate of,

(i) its liabilities, and

(ii) its stated capital of all classes. R.S.O. 1970, c. 53, s. 153 (1, 3), *amended*.

Corporations  
with wasting  
assets

**39.—**(1) Notwithstanding anything in this Act, a corporation,

(a) that for the time being carries on as its principal business the business of operating a producing mining, gas or oil property owned and controlled by it;

(b) at least 75 per cent of the assets of which are of a wasting character; or

(c) incorporated for the purpose of acquiring the assets or a substantial part of the assets of a body corporate and administering such assets for the purpose of converting them into cash and distributing the cash among the shareholders of the corporation,

may declare and pay dividends out of the funds derived from the operations of the corporation.

(2) The powers conferred by subsection 1 may be exercised notwithstanding that the value of the net assets of the corporation may be thereby reduced to less than its stated capital of all classes if the payment of the dividends does not reduce the value of its remaining assets to an amount insufficient to meet all the liabilities of the corporation, exclusive of its stated capital of all classes. R.S.O. 1970, c. 53, s. 154 (1, 2). Extent of impairment of capital

(3) The powers conferred by subsection 1 may be exercised only under the authority of a special resolution. R.S.O. 1970, c. 53, s. 154 (3), *amended*. Special resolution

**40.**—(1) Subject to subsection 3 of section 55, the articles or by-laws may provide that the corporation has a lien on a share registered in the name of a shareholder or his legal representative for a debt of that shareholder to the corporation. Lien on share

(2) Subsection 1 shall not apply to a corporation that has shares listed on a stock exchange recognized by the Commission. Where subs. 1 does not apply

(3) A corporation may enforce a lien referred to in subsection 1 in accordance with its articles or by-laws. R.S.O. 1970, c. 53, s. 47 (3), *amended*. Enforcement of lien

**41.** The shares of a corporation are personal property. R.S.O. 1970, c. 53, s. 46. Shares personal property

**42.**—(1) A corporation shall not impose restrictions on the transfer of shares except such restrictions as are authorized by the articles. Restrictions on transfer

(2) A corporation that has imposed restrictions on the transfer of its shares shall not offer its shares to the public unless the restrictions are necessary, No public offer if transfer restricted

(a) by or under any Act of Canada or Ontario as a condition to the obtaining, holding or renewal of authority to engage in any activity necessary to its undertaking; or

(b) for the purpose of achieving or preserving its status as a Canadian corporation for the purpose of any Act of Canada or Ontario. R.S.O. 1970, c. 53, s. 47 (1, 2).

**43.** Nothing in this Act prohibits the issue of debt obligations in bearer form. R.S.O. 1970, c. 53, s. 54. Bearer debt obligations

Irredeemable  
debt obligation

**44.**—(1) A condition contained in a debt obligation or in an instrument for securing a debt obligation is not invalid by reason only that the debt obligation is thereby made irredeemable or redeemable only on the happening of a contingency, however remote, or on the expiration of a period, however long. R.S.O. 1970, c. 53, s. 55.

Debt  
obligations

(2) Debt obligations issued, pledged, hypothecated or deposited by a corporation are not redeemed by reason only that the indebtedness evidenced by the debt obligations or in respect of which the debt obligations are issued, pledged, hypothecated or deposited is repaid.

Idem

(3) Debt obligations issued by a corporation and purchased, redeemed or otherwise acquired by it may be cancelled or, subject to any applicable trust indenture or other agreement, may be reissued, pledged or hypothecated to secure any obligation of the corporation then existing or thereafter incurred, and any such acquisition and reissue, pledge or hypothecation is not a cancellation of the debt obligations. *New.*

## PART IV

### INDENTURE TRUSTEES

Interpretation

**45.**—(1) In this Part,

- (a) “event of default” means an event specified in a trust indenture on the occurrence of which,
  - (i) a security interest constituted by the trust indenture becomes enforceable, or
  - (ii) the principal, interest and other moneys payable thereunder become or may be declared to be payable before the date of maturity,

but the event is not an event of default until all conditions prescribed by the trust indenture in connection with such event for the giving of notice or the lapse of time or otherwise have been satisfied;

- (b) “trust indenture” means any deed, indenture or other instrument, including any supplement or amendment thereto, made by a body corporate under which the body corporate issues or guarantees debt obligations and in which a person is appointed as trustee for the holders of the debt obligations issued or guaranteed thereunder;



- (c) “trustee” means any person appointed as trustee under the terms of a trust indenture to which a body corporate is a party and includes any successor trustee, whether or not the person is a trust company authorized to carry on business in Ontario. 1972, c. 138, s. 16, *part*; 1978, c. 49, s. 3, *amended*.

(2) This Part applies to a trust indenture, whether entered into before or after the day on which this Act comes into force, if, in respect of any debt obligations outstanding or guaranteed thereunder or to be issued or guaranteed thereunder, a prospectus or securities exchange issuer or take-over bid circular has been filed under *The Securities Act, 1978* or any predecessor thereof or in respect of which a prospectus has been filed under *The Corporations Information Act*, being chapter 72 of the Revised Statutes of Ontario, 1960, or any predecessor thereof. 1972, c. 138, s. 16, *part, amended*. Application of this Part  
1978, c. 47

(3) The person appointed as trustee under a trust indenture, or at least one of such persons if more than one is so appointed, shall be resident or authorized to do business in Ontario. 1972, c. 138, s. 16, *part*. Resident trustee

(4) Where, upon the application of a body corporate, the Commission is satisfied that to do so would not be prejudicial to the public interest, the Commission may exempt, subject to such terms and conditions as the Commission may impose, a trust indenture from the application of this Part. *New*. Exemption by Commission

**46.**—(1) A trustee in exercising his powers and discharging his duties shall, Duty of trustee

(a) act honestly and in good faith with a view to the best interests of the holders of the debt obligations issued under the trust indenture; and

(b) exercise the care, diligence and skill of a reasonably prudent trustee.

(2) No term of a trust indenture or of any agreement between a trustee and the holders of debt obligations issued thereunder or between the trustee and the issuer or guarantor shall operate so as to relieve a trustee from the duties imposed upon him in subsection 1. 1972, c. 138, s. 17, *part, amended*. Exculpatory clauses

**47.**—(1) No person shall be appointed as trustee if there is a material conflict of interest between his role as trustee and his role in any other capacity. Conflict of interest

(2) A trustee shall, within ninety days after he becomes aware that a material conflict of interest exists, Idem

(a) eliminate such conflict of interest; or

(b) resign from office.

Validity not  
affected .

(3) If, notwithstanding the provisions of this section, a trustee has a material conflict of interest, the validity and enforceability of the trust indenture under which the trustee has been appointed, of the security interest constituted by or under such trust indenture and of the securities issued under such trust indenture are not affected in any manner whatsoever by reason only of the existence of such material conflict of interest.

Replacing  
trustee

(4) If a trustee contravenes subsection 1 or 2, any interested person may apply to the court for an order that the trustee be replaced, and the court may make an order on such terms as it thinks fit. 1972, c. 138, s. 17, *part, amended*.

Evidence of  
compliance

**48.—**(1) An issuer or a guarantor of debt obligations issued or to be issued under a trust indenture, before doing any act referred to in clause *a*, *b*, *c* or *d*, shall furnish the trustee with evidence of compliance with the conditions in the trust indenture relating to,

(a) the issue, certification and delivery of debt obligations under the trust indenture;

(b) the release or release and substitution of property subject to a security interest constituted by the trust indenture;

(c) the satisfaction and discharge of the trust indenture; or

(d) the taking of any other action to be taken by the trustee at the request of or on the application of the issuer or guarantor.

Idem

(2) Evidence of compliance as required by subsection 1 shall consist in each case of,

(a) a statutory declaration or certificate made by a director or an officer of the issuer or guarantor stating that the conditions referred to in that section have been complied with in accordance with the terms of the trust indenture; and

(b) where the trust indenture requires compliance with conditions that are subject to review,

(i) by legal counsel, an opinion, and

(ii) by an auditor or accountant, an opinion or report of the auditor of the issuer or guarantor or any accountant licensed under *The Public Account-*

*tancy Act* or comparable legislation of the jurisdiction in which the accountant practises,

in each case approved by the trustee, that the conditions have been complied with in accordance with the terms of the trust indenture.

(3) The evidence of compliance referred to in subsection 2 shall <sup>Idem</sup> include a statement by the person giving the evidence,

- (a) declaring that he has read and understands the conditions of the trust indenture described in subsection 1;
- (b) describing the nature and scope of the examination or investigation upon which he based the statutory declaration, certificate, opinion or report; and
- (c) declaring that he has made such examination or investigation as he believes necessary to enable him to make the statements or give the opinions contained or expressed therein.

(4) At least once in each twelve-month period beginning on the date debt obligations are first issued under the trust indenture and at any other reasonable time upon the demand of a trustee, the issuer or guarantor of debt obligations issued under a trust indenture shall furnish the trustee with a certificate that the issuer or guarantor has complied with all requirements contained in the trust indenture that, if not complied with, would, with the giving of notice, lapse of time or otherwise, constitute an event of default, or, if there has been failure to so comply, giving particulars thereof. <sup>Certificate of issuer or guarantor</sup>

(5) Upon the demand of a trustee, the issuer or guarantor of debt obligations issued under a trust indenture shall furnish the trustee with evidence in such form as the trustee may require as to compliance with any condition therein relating to any action required or permitted to be taken by the issuer or guarantor under the trust indenture or as a result of any obligation imposed by the trust indenture. <sup>Evidence of compliance</sup>

(6) A trustee is not in contravention of subsection 1 of section 46 if he relies in good faith upon statements contained in a statutory declaration, certificate, opinion or report that complies with this Act or the trust indenture. 1972, c. 138, s. 17, *part, amended*. <sup>Reliance on opinions</sup>

**49.** A trustee under a trust indenture and any related person to the trustee shall not be appointed a receiver or receiver and manager or liquidator of the assets or undertaking of the issuer or <sup>Trustee not to be receiver</sup>

guarantor of the debt obligations under the trust indenture. 1972, c. 138, s. 17, *part*.

Notice of  
events  
of default

**50.**—(1) The trustee shall be required to give to the holders of debt obligations issued under the trust indenture, within a reasonable time but not exceeding thirty days after the trustee becomes aware of the occurrence thereof, notice of every event of default arising under the trust indenture unless the trustee in good faith determines that the withholding of the notice is in the best interests of the holders of the debt obligations and so advises the issuer or guarantor in writing. 1972, c. 138, s. 17, *part, amended*.

Idem

(2) Where notice of the occurrence of an event of default under a trust indenture is given under subsection 1 and the default is thereafter cured, notice that the default is no longer continuing shall be given by the trustee to the holders of the debt obligations within a reasonable time, but not exceeding thirty days, after the trustee becomes aware that the default has been cured. *New*.

Where list  
of debt  
obligation  
holders to  
be furnished

**51.**—(1) Any person, upon payment to a trustee of a reasonable fee therefor, may require the trustee to furnish, within ten days after the delivering to the trustee of the statutory declaration referred to in subsection 3, a list setting out,

- (a) the names and addresses of the registered holders of the outstanding debt obligations;
- (b) the principal amount of outstanding debt obligations owned by each such holder; and
- (c) the aggregate principal amount of debt obligations outstanding,

as shown on the records maintained by the trustee on the day that the statutory declaration is delivered to the trustee.

Information  
to be  
furnished  
to trustee

(2) Upon the demand of a trustee, the issuer of debt obligations shall furnish the trustee with the information required to enable the trustee to comply with subsection 1.

Statutory  
declaration

(3) The statutory declaration required under subsection 1 shall state,

- (a) the name and address of the person requiring the trustee to furnish the list and, if the person is a body corporate, the address for service thereof; and
- (b) that the list will not be used except as permitted under subsection 5.

(4) If the person requiring the trustee to furnish a list under subsection 1 is a body corporate, the statutory declaration required under that subsection shall be made by a director or officer of the body corporate. <sup>Idem</sup>

(5) No person shall use a list obtained under this section except in connection with, <sup>Use of list</sup>

- (a) an effort to influence the voting of the holders of debt obligations;
- (b) an offer to acquire debt obligations; or
- (c) any other matter relating to the debt obligations or the affairs of the issuer or guarantor thereof. *New.*

## PART V

### INVESTMENT SECURITIES

**52.**—(1) In this Part,

<sup>Interpretation</sup>

- (a) “adverse claim” includes a claim that a transfer is or would be unauthorized or wrongful or that a particular adverse person is the owner of or has an interest in the security;
- (b) “appropriate person”, when used to refer to a person endorsing a security, means,
  - (i) the person specified by the security or by special endorsement to be entitled to the security,
  - (ii) where the person so specified is described as a trustee or other fiduciary but is no longer serving in that capacity and notwithstanding that a successor has been appointed or qualified,
    - a. where only one person is so described, that person or his successor, or
    - b. where more than one person is so described, the remaining persons,
  - (iii) where the person so specified is an individual and is without capacity to act by virtue of death, incompetence, infancy or otherwise, his executor, administrator, committee, guardian or like fiduciary,



- (iv) where the security or endorsement specified more than one person as joint tenants or with right of survivorship and by reason of death all cannot sign, the survivor or survivors,
- (v) a person having the power to sign under the applicable law or controlling instrument, or
- (vi) to the extent any of the foregoing persons may act through an agent, his authorized agent;
- (c) “bearer form” when applied to a security means a security that is payable to bearer according to its terms and not by reason of any endorsement;
- (d) “*bona fide* purchaser” means a purchaser for value in good faith and without notice of any adverse claim who takes delivery of a security in bearer form or order form or of a security in registered form issued to him or endorsed to him or endorsed in blank;
- (e) “broker” means a person engaged for all or part of his time in the business of buying and selling securities and who, in the transaction concerned, acts for or buys a security from or sells a security to a customer;
- (f) “clearing corporation” means a body corporate recognized as a clearing corporation by the Commission;
- (g) “custodian” means a bank to which the *Bank Act* (Canada) applies, a trust company registered under *The Loan and Trust Corporations Act* or such other body corporate as may be recognized by the Commission as a custodian and that is acting as custodian for a clearing corporation;
- (h) “delivery” means voluntary transfer of possession;
- (i) “fiduciary” means a trustee, guardian, committee, curator, tutor, executor, administrator or representative of a deceased person, or any other person acting in a fiduciary capacity;
- (j) “fungible” in relation to securities means securities of which any unit is, by nature or usage of trade, the equivalent of any other like unit;
- (k) “genuine” means free of forgery or counterfeiting;

- (l) "good faith" means honesty in fact in the conduct of the transaction concerned;
- (m) "holder" means a person in possession of a security issued or endorsed to him or to bearer or in blank;
- (n) "issuer" means a body corporate,
  - (i) that is required by this Act to maintain a securities register,
  - (ii) that directly or indirectly creates fractional interests in its rights or property and that issues securities as evidence of such fractional interests,
  - (iii) that places or authorizes the placing of its name on a security, otherwise than as an authenticating trustee, registrar or transfer agent, to evidence that it represents a share, participation or other interest in its property or in an enterprise or to evidence its duty to perform an obligation evidenced by the security, or
  - (iv) that becomes responsible for or in place of any other person described as an issuer in this Part;
- (o) "noted conspicuously" and "appearing conspicuously" mean written in such a way that the person against whom words so noted or appearing are to operate ought reasonably to notice them;
- (p) "order form" when applied to a security means a security that is payable to the order or assigns of any person therein specified with reasonable certainty or to such person or such person's order;
- (q) "overissue" means the issue of securities in excess of any maximum number of securities that the issuer is authorized by its articles or a trust indenture to issue;
- (r) "proper form" means regular on its face with regard to all formal matters;
- (s) "purchaser" means a person who takes by sale, mortgage, hypothec, pledge, issue, reissue, gift or any other voluntary transaction creating an interest in a security;
- (t) "registered form" when applied to a security means a security that,

- (i) specifies a person entitled to the security or to the rights it evidences, and the transfer of which is capable of being recorded in a securities register, or
  - (ii) bears a statement that it is in registered form;
- (u) “security” or “security certificate” means an instrument issued by a body corporate that is,
- (i) in bearer, order or registered form,
  - (ii) of a type commonly dealt in upon securities exchanges or markets or commonly recognized in any area in which it is issued or dealt in as a medium for investment,
  - (iii) one of a class or series or by its terms divisible into a class or series of instruments, and
  - (iv) evidence of a share, participation or other interest in or obligation of the body corporate;
- (v) “transfer” includes transmission by operation of law;
- (w) “trust indenture” means a trust indenture as defined in Part IV;
- (x) “unauthorized” when used with reference to a signature or an endorsement means one made without authority, actual, apparent or of any other type and includes a forgery;
- (y) “valid” means issued in accordance with the applicable law and the articles of the issuer or validated under section 57. R.S.O. 1970, c. 53, s. 63 (1); 1971, c. 26, s. 16; 1972, c. 138, s. 18, *amended*.

Application of  
this part  
R.S.C. 1952,  
c. 15

(2) This Part does not apply to a promissory note or bill of exchange to which the *Bills of Exchange Act (Canada)* applies. R.S.O. 1970, c. 25, s. 63 (2).

Security as  
negotiable  
instrument

(3) Except where its transfer is restricted and noted on a security in accordance with subsection 3 of section 55, a security is a negotiable instrument. *New*.

Share  
certificates

**53.**—(1) Every security holder is entitled at his option to a security certificate in respect of the securities held by him that complies with this Act or to a non-transferable written acknowledgement of his right to obtain a security certificate from a corporation in respect of the securities of the corporation held by



him, but the corporation is not bound to issue more than one security certificate in respect of a security or securities held jointly by several persons, and delivery of a security certificate to one of several joint security holders is sufficient delivery to all.

(2) A corporation may charge a fee of not more than \$3 for a security certificate issued in respect of a transfer. R.S.O. 1970, c. 53, s. 49, *amended*. Fee

**54.**—(1) A security certificate shall be signed manually by at least one director or officer of the corporation or by or on behalf of a registrar, transfer agent, branch transfer agent or issuing or other authenticating agent of the corporation, or by a trustee who certifies it in accordance with a trust indenture, and any additional signatures required on a security certificate may be printed or otherwise mechanically reproduced thereon. Signing of  
share  
certificates

(2) If a security certificate contains a printed or mechanically reproduced signature of a person, the corporation may issue the security certificate notwithstanding that the person has ceased to be a director or an officer of the corporation, and the security certificate is as valid as if he were a director or an officer at the date of its issue. Idem

(3) Notwithstanding subsection 1, a manual signature is not required on, Where manual  
signature not  
required

(a) a promissory note that is not issued under a trust indenture;

(b) a scrip certificate;

(c) a security certificate representing a fractional share; or

(d) a warrant. R.S.O. 1970, c. 53, s. 50, *amended*.

**55.**—(1) A corporation shall state upon the face of each share certificate issued by it, Contents of  
share  
certificate

(a) the name of the corporation and the words “Incorporated under the law of the Province of Ontario” or words of like effect;

(b) the name of the person to whom it was issued; and

- (c) the number and class of shares and the designation of any series that the certificate represents.

Idem

(2) Where a corporation is authorized to issue shares of more than one class or series, the corporation shall legibly state on each share certificate issued by it,

- (a) the rights, privileges, restrictions and conditions attached to the shares of each class and series that exists when the share certificate is issued; or
- (b) that the class or series of shares that it represents has rights, privileges, restrictions or conditions attached thereto and that the corporation will furnish to a shareholder, on demand and without fee, a full copy of the text of,
  - (i) the rights, privileges, restrictions and conditions attached to that share and to each class authorized to be issued and to each series in so far as the same have been fixed by the directors, and
  - (ii) the authority of the directors to fix the rights, privileges, restrictions and conditions of subsequent series, if applicable. R.S.O. 1970, c. 53, s. 51 (1, 2), *amended*.

Where restriction, lien, etc., ineffective

(3) Where a share certificate issued by a corporation or by a body corporate before the body corporate was continued under section 178 is, or becomes, subject to,

- (a) a restriction on its transfer;
- (b) a lien in favour of the corporation;
- (c) a unanimous shareholder agreement; or
- (d) an endorsement under subsection 11 of section 183,

the restriction, lien, agreement or endorsement is ineffective against a transferee of the share who has no actual knowledge of it, unless it or a reference to it is noted conspicuously on the share certificate.

Notice of restriction

(4) If a body corporate continued under section 178 has outstanding a share certificate issued prior to the date of the certificate of continuance and if the words "private company" appear on the certificate, those words are deemed to be a notice of a restriction, lien, agreement or endorsement for the purpose of subsection 3.

(5) Where a corporation was incorporated as a private company under *The Corporations Act*, or any predecessor thereof, before the 1st day of January, 1971, the words “private company” appearing conspicuously on the face of a share certificate issued before the 1st day of January, 1971 shall be deemed to be notice of a restriction on the transfer of the share for the purpose of subsection 3. R.S.O. 1970, c. 53, s. 72, *amended*. Idem  
R.S.O. 1970,  
c. 89

(6) A share certificate issued, Par value  
share  
certificate  
 (a) prior to the day this Act comes into force by a corporation; or

(b) prior to the date of the certificate of continuance by a body corporate continued under section 178,

does not contravene this Act merely because the certificate refers to the share or shares represented thereby as having a nominal or par value.

(7) Where a share certificate issued by a corporation contains the statement mentioned in clause *b* of subsection 2, the corporation shall furnish to a shareholder on demand and without charge a full copy of the text of, Information to  
be furnished  
by corporation

(a) the rights, privileges, restrictions and conditions attached to that class authorized to be issued and to that series in so far as the same have been fixed by the directors; and

(b) the authority of the directors to fix the rights, privileges, restrictions and conditions of subsequent series, if applicable. 1971, c. 26, s. 13, *part, amended*.

**56.**—(1) A corporation may issue a certificate for a fractional share or may issue in place thereof scrip certificates in bearer form that entitle the holder to receive a certificate for a full share by exchanging scrip certificates aggregating a full share. Certificate for  
fractional  
share or  
scrip  
certificates

(2) The directors may attach conditions to any scrip certificates issued by a corporation, including conditions that, Scrip  
certificates

(a) the scrip certificates become void if not exchanged for a certificate representing a full share before a specified date; and

(b) any shares for which such scrip certificates are exchangeable may, notwithstanding any pre-emptive right, be issued by the corporation to any person and the proceeds thereof distributed rateably to the holders of the scrip certificates.

(3) A holder of a fractional share issued by a corporation is not entitled to exercise voting rights or to receive a dividend in respect of the fractional share unless, Rights of  
holder of  
fractional share

- (a) the fractional share results from a consolidation of shares; or
- (b) the articles of the corporation otherwise provide.

Rights of  
holder of  
scrip certificate

(4) A holder of a scrip certificate is not entitled to exercise voting rights or to receive a dividend in respect of the scrip certificate. R.S.O. 1970, c. 53, s. 52, *amended*.

Overissue

**57.**—(1) The provisions of this Act that validate a security or compel its issue or reissue do not apply to the extent that validation, issue or reissue would result in overissue, but,

- (a) if an identical security that does not constitute an over-issue is reasonably available for purchase, the person entitled to issue or validation may compel the issuer to purchase and deliver such a security to him against surrender of the security, if any, that he holds; or
- (b) if a security is not so available for purchase, the person entitled to issue or validation may recover from the issuer the price he or the last purchaser for value paid for it with interest from the date of his demand. R.S.O. 1970, c. 53, s. 65 (2).

Validation of  
overissue

(2) When an issuer subsequently amends its articles or a trust indenture to which it is a party to increase any maximum number of securities to a number equal to or in excess of the maximum number of securities previously authorized plus the amount of the securities overissued, the securities so overissued, and any act taken by any person in reliance upon the validity of such over-issued securities, are valid from the date of their issue.

Non-application  
of ss. 30, 31,  
32, 35

(3) A purchase or payment by an issuer under subsection 1 is not a purchase or payment to which section 30, 31, 32 or 35 applies. *New*.

Evidence

**58.** In an action on a security,

- (a) unless specifically denied in the pleadings, each signature on the security or in a necessary endorsement is admitted;
- (b) a signature on the security is presumed to be genuine and authorized but, if the effectiveness of the signature is put in issue, the burden of establishing that it is genuine and authorized is on the party claiming under the signature;
- (c) if a signature is admitted or established, production of the instrument entitles a holder to recover on it unless the defendant establishes a defence or a defect going to the validity of the security; and
- (d) if the defendant establishes that a defence or defect exists, the plaintiff has the burden of establishing that



the defence or defect is ineffective against him or some person under whom he claims. R.S.O. 1970, c. 53, s. 66, *amended*.

**59.**—(1) The validity of a security and the rights and duties with respect to registration or transfer of a security of an issuer that is a corporation or a body corporate incorporated under the laws of Ontario are governed by this Act and the laws of Ontario. Selection of laws

(2) The validity of a security and the rights and duties with respect to registration or transfer of a security of an issuer that is a body corporate other than a corporation or a body corporate incorporated under the laws of Ontario are governed by the law, including the conflict of law rules, of the jurisdiction in which the body corporate was incorporated. R.S.O. 1970, c. 53, s. 67, *amended*. Idem

**60.**—(1) Unless otherwise agreed and subject to any applicable law, regulation or stock exchange rule, a person required to deliver securities may deliver any security of the specified issue in bearer form or registered in the name of the transferee or endorsed to him or in blank. Form of transfer

(2) Where the buyer fails to pay the price as it comes due under a contract of sale, the seller may recover the price, Default in payment

(a) of any security accepted by the buyer; and

(b) of any security not accepted by the buyer if its resale would be unduly burdensome or there is no readily available market,

but resort to the remedy herein provided for shall not be construed so as to affect or limit any rights or remedies under applicable law. R.S.O. 1970, c. 53, s. 68; 1972, c. 138, s. 19, *amended*.

**61.**—(1) The obligations and defences of an issuer apply to a guarantor of a security to the extent of his guarantee whether or not his obligation is noted on the security. Position of issuer re guarantor

(2) The person on whose behalf a register of transfers is maintained is an issuer for the purposes of the registration of a transfer under sections 85 to 88. *New*. Issuer

**62.**—(1) Even against a purchaser for value and without notice of a defect going to the validity of a security, the terms of a security include those stated on the security and those incorporated therein by reference to another instrument, statute, rule, regulation or order to the extent that the terms so referred to do not conflict with the stated terms, but such a reference is not of itself notice to a purchaser for value of a defect going to the validity of Notice of terms of security

the security, notwithstanding that the security expressly states that a person accepting it admits such notice.

Validity of  
security

(2) A security is valid in the hands of a purchaser for value without notice of any defect going to its validity.

Defence of  
issuer

(3) Except as provided in section 64, the fact that a security is not genuine is a complete defence even against a *bona fide* purchaser.

Idem

(4) All other defences of the issuer including non-delivery and conditional delivery of the security are ineffective against a *bona fide* purchaser. R.S.O. 1970, c. 53, s. 70 (1-3), *amended*.

Idem

(5) Nothing in this section shall be construed to affect the right of a party to a “when, as and if issued” or a “when distributed” contract to cancel the contract in the event of a material change in the character of the security that is the subject of the contract or in the plan or arrangement under which such security is to be issued or distributed. R.S.O. 1970, c. 53, s. 70 (4).

Notice of  
defect

**63.**—(1) After an act or event that creates a right to immediate performance of the principal obligation evidenced by the security or that sets a date on or after which the security is to be presented or surrendered for redemption or exchange, a purchaser is deemed to have notice of any defect in its issue or any defence of the issuer,

(a) if the act or event requires the payment of money or the delivery of securities or both on presentation or surrender of the security and such funds or securities are available on the date set for payment or exchange and he takes the security more than one year after that date; and

(b) if the act or event is not one to which clause *a* applies and he takes the security more than two years after the date set for surrender or presentation or the date on which such performance became due.

Revoked call  
for redemption  
excepted

(2) Subsection 1 does not apply to a call for redemption that has been revoked. R.S.O. 1970, c. 53, s. 71, *amended*.

Unauthorized  
signatures on  
issue

**64.** An unauthorized signature placed on a security before or in the course of issue is ineffective, except that the signature is effective in favour of a *bona fide* purchaser if the signing has been done by,

(a) an authenticating trustee, registrar, transfer agent or other person entrusted by the issuer with the signing of the security or of similar securities, or their immediate preparation for signing; or

- (b) an employee of the issuer or of a person referred to in clause *a* who in the ordinary course of his duties handles the security. R.S.O. 1970, c. 53, s. 73.

**65.**—(1) Where a security contains the signatures necessary to its issue or transfer but is incomplete in any other respect, Completion of blanks

- (a) any person may complete it by filling in the blanks in accordance with his authority; and
- (b) notwithstanding that the blanks are incorrectly filled in, the security as completed is enforceable by a purchaser who took it for value and without notice of such incorrectness. R.S.O. 1970, c. 53, s. 74 (1), *amended*.

(2) A completed security that has been improperly altered, even if fraudulently altered, remains enforceable but only according to its original terms. R.S.O. 1970, c. 53, s. 74 (2). Improper alteration

**66.**—(1) An issuer or a trustee defined in subsection 1 of section 45 may, subject to sections 94, 95 and 99, treat the registered holder of a security as the person exclusively entitled to vote, to receive notices, to receive any interest, dividend or other payments in respect of the security, and otherwise to exercise all the rights and powers of a holder of the security. R.S.O. 1970, c. 53, s. 75 (1), *amended*. Effect of registration

(2) Notwithstanding subsection 1, an issuer whose articles restrict the right to transfer its securities shall, and any other issuer may, treat a person referred to in clause *a*, *b* or *c* as a registered security holder entitled to exercise all the rights of the security holder he represents, if that person furnishes evidence as described in subsection 3 of section 86 to the issuer that he is, Representatives, etc., may exercise rights of security holder

- (a) the executor, administrator, heir or legal representative of the heirs, of the estate of a deceased security holder;
- (b) a guardian, committee, trustee, curator or tutor representing a registered security holder who is an infant, an incompetent person or a missing person; or
- (c) a liquidator of, or a trustee in bankruptcy for, a registered security holder.

(3) If a person upon whom the ownership of a security devolves by operation of law, other than a person referred to in subsection 2, furnishes proof of his authority to exercise rights or privileges in respect of a security of the issuer that is not registered in his name, the issuer shall treat the person as entitled to exercise those rights or privileges. Rights where ownership devolves by operation of law

Corporation  
has no duty to  
enforce  
performance

(4) An issuer is not required to inquire into the existence of, or see to the performance or observance of, any duty owed to a third person by a registered holder of any of its securities or by anyone whom it treats, as permitted or required by this section, as the owner or registered holder thereof.

Repudiation by  
infant

(5) If an infant exercises any rights of ownership in the securities of an issuer, no subsequent repudiation or avoidance is effective against the issuer.

Joint  
holders

(6) Where a security is issued to several persons as joint holders, upon satisfactory proof of the death of one joint holder, the issuer may treat the surviving joint holders as owner of the security.

Registration of  
executor, etc.

(7) Subject to any applicable law of Canada or a province of Canada relating to the collection of taxes, a person referred to in clause *a* of subsection 2 is, subject to clause *b* of subsection 3 of section 86, entitled to become a registered holder or to designate a registered holder, if he deposits with the issuer or its transfer agent,

(a) the original grant of probate or of letters of administration, or a copy thereof certified to be a true copy by,

(i) the court that granted the probate or letters of administration,

(ii) a trust company incorporated under the laws of Canada or a province, or

(iii) a lawyer or notary acting on behalf of the person;  
or

(b) in the case of transmission by notarial will in the Province of Quebec, a copy thereof authenticated under the laws of that Province,

together with,

(c) an affidavit or declaration of transmission made by the person stating the particulars of the transmission; and

(d) the security certificate that was owned by the deceased holder,

(i) in case of a transfer to the person, with or without the endorsement of that person, and

(ii) in case of a transfer to any other person, endorsed in accordance with section 72,



and accompanied by any assurance the issuer may require under section 86.

(8) Notwithstanding subsection 7, if the laws of the jurisdiction <sup>Idem</sup> governing the transmission of a security of a deceased holder do not require a grant of probate or of letters of administration in respect of the transmission, or if clause *b* of subsection 3 of section 86 applies, a legal representative of the deceased holder is entitled, subject to any applicable law of Canada or a province of Canada relating to the collection of taxes, to become a registered holder or to designate a registered holder, if he deposits with the issuer or its transfer agent,

- (a) the security certificate that was owned by the deceased holder; and
- (b) reasonable proof of the governing laws, the deceased holder's interest in the security and the right of the legal representative or the person he designates to become the registered holder.

(9) Deposit of the documents required by subsection 7 or 8 <sup>Recording in security register</sup> empowers an issuer or its transfer agent to record in a securities register the transmission of a security from the deceased holder to a person referred to in clause *a* of subsection 2 or to such person as that person may designate and, thereafter, to treat the person who thus becomes a registered holder as the owner of those securities. *New.*

**67.**—(1) A person placing his signature upon a security as <sup>Warranties in issue</sup> authenticating trustee, registrar or transfer agent warrants to a purchaser for value without notice of the particular defect that,

- (a) the security is genuine and in proper form;
- (b) his own participation in the issue of the security is within his capacity and within the scope of the authorization received by him from the issuer; and
- (c) he has reasonable grounds to believe that the security is in the form and within the amount the issuer is authorized to issue. 1971, c. 26, s. 17.

(2) Unless otherwise agreed, a person referred to in subsection 1 <sup>Idem</sup> does not assume any further liability for the validity of a security. R.S.O. 1970, c. 53, s. 76 (2).

**68.**—(1) Upon delivery of a security, the purchaser acquires <sup>Rights acquired by purchasers</sup> the rights in the security that his transferor had or had actual authority to convey except that a purchaser who has himself been

a party to any fraud or illegality affecting the security or who as a prior holder had notice of an adverse claim cannot improve his position by taking from a later *bona fide* purchaser.

*Bona fide*  
purchaser

(2) A *bona fide* purchaser in addition to acquiring the rights of a purchaser also acquires the security free of any adverse claim.

Limited  
interest

(3) A purchaser of a limited interest acquires rights only to the extent of the interest purchased. R.S.O. 1970, c. 53, s. 77.

Notice of  
adverse claim

**69.**—(1) A purchaser, including a broker for a seller or purchaser, of a security is deemed to have notice of an adverse claim if,

- (a) the security has been endorsed “for collection” or “for surrender” or for some other purpose not involving transfer; or
- (b) the security has on it an unambiguous statement that it is the property of a person other than the transferor, but the mere writing of a name on a security is not such a statement. R.S.O. 1970, c. 53, s. 78 (1), *amended*.

Idem

(2) Notwithstanding that a purchaser, including a broker for a seller or purchaser, has notice that a security is held for a third person or is registered in the name of or endorsed by a fiduciary, he has no duty to inquire into the rightfulness of the transfer and has no notice of an adverse claim, except that where a purchaser knows that the consideration is to be used for, or that the transaction is for, the personal benefit of the fiduciary or is otherwise in breach of the fiduciary’s duty, the purchaser is deemed to have notice of an adverse claim. R.S.O. 1970, c. 53, s. 78 (2), *amended*.

Idem

(3) An event that creates a right to immediate performance of the principal obligation evidenced by a security or that sets a date on or after which the security is to be presented or surrendered for redemption or exchange is not of itself notice of an adverse claim, except in the case of a purchase,

- (a) after one year from any date set for such presentation or surrender for redemption or exchange; or
- (b) after six months from any date for payment of money against presentation or surrender of the security if funds are available for payment on that date. R.S.O. 1970, c. 53, s. 78 (3).

Warranties on  
presentment

**70.**—(1) A person who presents a security for registration of transfer or for payment or exchange warrants to the issuer that he

is entitled to the registration, payment or exchange, except that a *bona fide* purchaser who receives a new, reissued or reregistered security on registration of transfer warrants only that he has no knowledge of any unauthorized signature in a necessary endorsement.

(2) A person by transferring a security to a purchaser for value warrants only that, Warranties on transfer

(a) the transfer is effective and rightful;

(b) the security is genuine and has not been materially altered; and

(c) he knows of nothing that might impair the validity of the security.

(3) Where a security is delivered by an intermediary known by the purchaser to be entrusted with delivery of the security on behalf of another or with collection of a draft or other claim to be collected against such delivery, the intermediary by such delivery warrants only his own good faith and authority even if he has purchased or made advances against the draft or other claim to be collected against the delivery. Warranties by intermediary

(4) A pledgee or other holder for purposes of security who redelivers a security received, or after payment and on order of the debtor delivers that security to a third person, gives only the warranties of an intermediary under subsection 3. Warranties of pledgee

(5) A broker gives to his customer, to the issuer or to a purchaser, as the case may be, the warranties provided in this section and has the rights and privileges of a purchaser under this section, and those warranties of and in favour of the broker acting as an agent are in addition to warranties given by his customer and warranties given in favour of his customer. R.S.O. 1970, c. 53, s. 79, *amended*. Warranties of broker

**71.** Where a security in registered form has been delivered to a purchaser without a necessary endorsement, he may become a *bona fide* purchaser only as of the time the endorsement is supplied, but against the transferor the transfer is complete upon delivery and the purchaser has a specifically enforceable right to have any necessary endorsement supplied. R.S.O. 1970, c. 53, s. 80. Absence of endorsement

**72.**—(1) An endorsement of a security in registered form is made when an appropriate person signs on the security or on a separate document an assignment or transfer of the security or a power to assign or transfer it or when the signature of the person is written without more upon the back of the security. Endorsement

Idem	<p>(2) An endorsement of a security may be,</p> <p>(a) in blank, including to bearer; or</p> <p>(b) a special endorsement, specifying the person to whom the security is to be transferred or who has the power to transfer it,</p> <p>and a holder may convert an endorsement in blank into a special endorsement.</p>
Obligation of endorser	<p>(3) Unless otherwise agreed, the endorser by his endorsement assumes no obligation that the security will be honoured by the issuer.</p>
Partial endorsement	<p>(4) An endorsement purporting to be only of part of a security representing units intended by the issuer to be separately transferable is effective to the extent of the endorsement.</p>
Appropriate person	<p>(5) Whether the person who has made an endorsement is appropriate shall be determined as of the date the endorsement was made and an endorsement by such person does not become unauthorized for the purposes of this Act by virtue of any subsequent change of circumstances.</p>
Improper endorsement by fiduciary	<p>(6) Failure of a fiduciary to comply with a controlling instrument or with the law applicable to the fiduciary relationship, including any law requiring the fiduciary to obtain court approval of the transfer, does not render his endorsement unauthorized for the purposes of this Act. R.S.O. 1970, c. 53, s. 81.</p>
Delivery necessary	<p><b>73.</b> An endorsement of a security whether special or in blank does not constitute a transfer until delivery of the security on which it appears, or if the endorsement is on a separate document until the delivery of both the document and the security. R.S.O. 1970, c. 53, s. 82.</p>
Endorsement of security in bearer form	<p><b>74.</b> An endorsement of a security in bearer form may give notice of an adverse claim under section 69 but does not otherwise affect any right to registration that the holder has. <i>New.</i></p>
Effect of unauthorized endorsement	<p><b>75.—</b>(1) The owner of a security may assert the ineffectiveness of an endorsement against the issuer or any purchaser, other than a <i>bona fide</i> purchaser who received a new, reissued or reregistered security on registration of transfer, unless the owner,</p> <p>(a) has ratified an unauthorized endorsement of the security; or</p> <p>(b) is otherwise precluded from impugning the effectiveness of an unauthorized endorsement.</p>

(2) An issuer who registers the transfer of a security upon an unauthorized endorsement is liable for improper registration. R.S.O. 1970, c. 53, s. 83, *amended*. Idem

**76.**—(1) Every person who guarantees a signature of an endorser of a security warrants that at the time of signing, Guarantee of signature

- (a) the signature was genuine;
- (b) the signer was an appropriate person to endorse; and
- (c) the signer had legal capacity to sign,

but the guarantor does not otherwise warrant the rightfulness of the particular transfer.

(2) Any person may guarantee an endorsement of a security and by so doing warrants not only the signature but also the rightfulness of the particular transfer in all respects. Guarantee of endorsement

(3) No issuer may require a guarantee of endorsement as a condition to registration of transfer. Idem

(4) The warranties referred to in this section are made to any person taking or dealing with the security in reliance on the guarantee and the guarantor is liable to such person for any loss resulting from breach of warranty. R.S.O. 1970, c. 53, s. 84, *amended*. Liability of guarantor

**77.**—(1) Delivery to a purchaser occurs when, What constitutes delivery

- (a) he or a person designated by him acquires possession of a security;
- (b) his broker acquires possession of a security specially endorsed or issued in the name of the purchaser;
- (c) his broker sends him confirmation of the purchase and the broker in his records identifies a specific security in the broker's possession as belonging to the purchaser;
- (d) with respect to an identified security to be delivered while still in the possession of a third person, that person acknowledges that he holds it for the purchaser; or
- (e) appropriate entries in the records of a clearing corporation are made under section 84.

(2) A purchaser is the owner of a security held for him by his broker, but is not the holder except as specified in clauses *b*, *c* and *e* of subsection 1. What constitutes ownership



Idem

(3) If a security is part of a fungible bulk, the purchaser is the owner of a proportionate property interest in the fungible bulk.

Notice of  
adverse claim  
after delivery

(4) Notice of an adverse claim received by a broker or by a purchaser after the broker takes delivery as a holder for value is not effective against the broker or the purchaser except that as between the broker and the purchaser, the purchaser may demand delivery of an equivalent security as to which no notice of an adverse claim has been received. R.S.O. 1970, c. 53, s. 85, *amended*.

Duty of seller  
to deliver

**78.**—(1) Unless otherwise agreed where a sale of a security is made on a stock exchange recognized for the purposes of this Part by the Commission or otherwise through brokers,

(a) the selling customer fulfills his duty to deliver when he places such a security in the possession of the selling broker or of a person designated by the broker or, if requested, causes an acknowledgement to be made to the selling broker that it is held for him; and

(b) the selling broker including a correspondent broker acting for a selling customer fulfills his duty to deliver by placing the security or a like security in the possession of the buying broker or a person designated by him or by effecting clearance of the sale in accordance with the rules of the recognized stock exchange on which the transaction took place.

Idem

(2) Except as otherwise provided in this section and unless otherwise agreed, a transferor's duty to deliver a security under a contract of purchase is not fulfilled until he places the security in form to be negotiated by the purchaser in the possession of the purchaser or of a person designated by him or at the purchaser's request causes an acknowledgement to be made to the purchaser that it is held for him.

Idem

(3) A sale to a broker purchasing for his own account is subject to subsection 2 and not subsection 1, unless the sale is made on a recognized stock exchange. R.S.O. 1970, c. 53, s. 86, *amended*.

Action for  
wrongful  
transfer

**79.**—(1) A person against whom the transfer of a security is wrongful for any reason, including his incapacity, may against anyone except a *bona fide* purchaser reclaim possession of the security or obtain possession of any new security evidencing all or part of the same rights or claim damages.

Idem

(2) If the transfer of a security is wrongful by reason of an unauthorized endorsement, the owner may reclaim possession of the security or a replacing security even from a *bona fide*

purchaser if the ineffectiveness of the purported endorsement may be asserted against such purchaser under section 75.

(3) The right to reclaim possession of a security may be specifically enforced, its transfer may be restrained and the security may be impounded pending litigation. R.S.O. 1970, c. 53, s. 87, *amended*. Specific performance and injunction

**80.**—(1) Unless otherwise agreed, a transferor shall on demand supply his purchaser with proof of his authority to transfer or with any other requisite that is necessary to obtain registration of the transfer of a security, but if the transfer is not for value a transferor need not do so unless the purchaser pays the reasonable and necessary costs of the proof and transfer. Transferor's duty to provide requisites for registration of transfer

(2) If the transferor fails to comply with a demand under subsection 1 within a reasonable time, the purchaser may reject or rescind the transfer. R.S.O. 1970, c. 53, s. 88, *amended*. Effect of failure

**81.** No seizure of a security or other interest evidenced thereby is effective until the person making the seizure obtains possession of the security. *New*. When seizure effective

**82.** An agent or bailee who in good faith, including observance of reasonable commercial standards if he is in the business of buying, selling or otherwise dealing with securities, has received securities and sold, pledged or delivered them according to the instructions of his principal is not liable for conversion or for participation in breach of fiduciary duty although the principal has no right to dispose of them. R.S.O. 1970, c. 53, s. 89. Transfer by agent in good faith not conversion

**83.** A contract for the sale of securities is not enforceable by way of action or defence unless, Contract for sale

- (a) there is some writing signed by the party against whom enforcement is sought or by his authorized agent or broker sufficient to indicate that a contract has been made for sale of a stated quantity of described securities at a defined or stated price;
- (b) delivery of the security has been accepted or payment has been made, but the contract is enforceable under this provision only to the extent of such delivery or payment;
- (c) within a reasonable time a writing in confirmation of the sale or purchase and sufficient against the sender under clause *a* has been received by the party against whom enforcement is sought and he has failed to send written objection to its contents within a reasonable time after its receipt; or

- (d) the party against whom enforcement is sought admits in his pleading, testimony or otherwise in court that a contract was made for sale of a stated quantity of described securities at a defined or stated price. R.S.O. 1970, c. 53, s. 90.

Transfer  
through  
clearing house

**84.—(1)** If a security,

- (a) is in the custody of a clearing corporation or of a custodian or nominee of either, subject to the instructions of the clearing corporation;
- (b) is in bearer form or endorsed in blank by an appropriate person or registered in the name of the clearing corporation or custodian or a nominee of either; and
- (c) is shown on the account of a transferor or pledgor in the records of the clearing corporation,

then, in addition to other methods, a transfer or pledge of the security or any interest therein may be effected by the making of appropriate entries in the records of the clearing corporation, reducing the account of the transferor or pledgor and increasing the account of the transferee or pledgee by the amount of the obligation or the number of shares or rights transferred or pledged.

Interest in  
fungible bulk

(2) Under this section, entries may be in respect of like securities or interests therein as part of a fungible bulk and may refer merely to a quantity of a particular security without reference to the name of the registered owner, certificate or bond number or the like and, in appropriate cases, may be on a net basis taking into account other transfers or pledges of the same security.

Constructive  
endorsement  
and delivery

(3) A transfer or pledge under this section has the effect of a delivery of a security in bearer form or duly endorsed in blank representing the amount of the obligation or the number of shares or rights transferred or pledged.

Idem

(4) If a pledge or the creation of a security interest is intended, the making of entries has the effect of a taking of delivery by the pledgee or a secured party and the pledgee or secured party shall be deemed to have taken possession for all purposes including the purposes of *The Personal Property Security Act*.

R.S.O. 1970,  
c. 344

Holder

(5) A transferee or pledgee under this section is a holder.

Not  
registration

(6) A transfer or pledge under this section does not constitute a registration of transfer under sections 85 to 89.

Error in  
records

(7) That entries made in the records of the clearing corporation as provided in subsection 1 are not appropriate does not affect the validity or effect of the entries nor the liabilities or obligations



of the clearing corporation to any person adversely affected thereby.

(8) For the purposes of this section, if a clearing corporation or its nominee is registered in the securities register of a body corporate as the owner of a share, participation or other interest in or obligation of the body corporate, but such body corporate has not issued a security certificate in respect thereof, Where security certificate not issued

- (a) the clearing corporation or its nominee shall be deemed to have custody of a security certificate in respect of such share, participation or other interest in or obligation of the body corporate; and
- (b) such security certificate shall be deemed to be registered in the name of the clearing corporation or its nominee, as the case may be. R.S.O. 1970, c. 53, s. 91, *amended*.

**85.**—(1) Where a security in registered form is presented for transfer, the issuer shall register the transfer if, Duty of issuer to register transfer

- (a) the security is endorsed by the appropriate person;
- (b) reasonable assurance is given that that endorsement is genuine and effective;
- (c) the issuer has no duty to inquire into adverse claims or has discharged any such duty;
- (d) any applicable law of Canada or a province of Canada relating to the collection of taxes has been complied with;
- (e) the transfer is rightful or is to a *bona fide* purchaser; and
- (f) any fee referred to in subsection 2 of section 53 has been paid.

(2) Where an issuer has a duty to register a transfer of a security, the issuer is liable to the person presenting it for registration or his principal for loss resulting from any unreasonable delay in registration or from failure or refusal to register the transfer. R.S.O. 1970, c. 53, s. 92, *amended*. Liability for undue delay

**86.**—(1) For the purpose of obtaining reasonable assurance that each necessary endorsement required by section 72 is genuine and effective, the issuer may require a guarantee of the signature of the person endorsing or, where such guarantee is lacking, Assurances required by issuer

- (a) if the endorsement is by an agent, reasonable assurance of authority to sign;
- (b) if the endorsement is by a fiduciary or a successor on whom title or control vests on the death of the holder, appropriate evidence of appointment or incumbency;

- (c) if there is more than one fiduciary or successor, reasonable assurance that all who are required to sign have done so; and
- (d) if the endorsement is by a person other than by a person mentioned in this section, assurance appropriate to the case equivalent as nearly as may be to those required by this section.

Sufficiency of  
guarantee

(2) A “guarantee of the signature” in subsection 1 means a guarantee signed by or on behalf of a person reasonably believed by the issuer to be responsible, and the issuer may adopt reasonable standards with respect to responsibility.

Appropriate  
evidence of  
appointment or  
incumbency

(3) For the purposes of subsection 1, “appropriate evidence of appointment or incumbency” means,

- (a) in the case of a fiduciary appointed by a court, a copy, certified in accordance with subsection 7 of section 66 not more than sixty days before the date the security is presented for transfer, of the order of the court;
- (b) in the case of an estate of the deceased holder of net value less than \$3,000 or if the market value of the securities is less than \$600, proof thereof to the reasonable satisfaction of the issuer; or
- (c) in any other case, a copy of a document showing the appointment or other evidence believed by the issuer to be appropriate.

Where contents  
not notice

(4) An issuer is not deemed to have notice of the contents of any document obtained under subsection 3 except to the extent that the contents relate directly to appointment or incumbency.

Notice of  
additional  
assurances

(5) If an issuer demands assurance additional to that specified in this section for a purpose other than that specified in subsection 3 and obtains a copy of a will, trust or partnership agreement, by-law or similar document, the issuer shall be deemed to have notice of all matters contained therein affecting the transfer. R.S.O.1970, c. 53, s. 93; 1972, c. 138, s. 20, *amended*.

Notice to issuer  
of adverse  
claim

**87.**—(1) An issuer to whom a security is presented for registration has a duty to inquire into adverse claims if,

- (a) written notice of an adverse claim is received at a time and in a manner that affords the issuer a reasonable opportunity to act on it before the issue of a new, re-issued or reregistered security and the notice discloses the name and address of the claimant, the registered owner and the issue of which the security is a part;
- (b) the issuer is deemed to have notice of an adverse claim from a document that is obtained under subsection 5 of section 86; or

- (c) the issuer is given written notice by the registered owner that the security is lost, apparently destroyed or wrongfully taken.

(2) An issuer may discharge a duty of inquiry by any reasonable means, including notifying an adverse claimant by registered mail sent to the address furnished by him or, if no such address has been furnished, to his residence or regular place of business, that a security has been presented for registration of transfer by a named person, and that the transfer will be registered unless within thirty days from the date of mailing the notice either,

Discharge of  
duty of inquiry

- (a) the issuer is served with a restraining order or other order of a court; or
- (b) the issuer is provided with an indemnity bond sufficient in the issuer's judgment to protect the issuer and any registrar, transfer agent or other agent of the issuer from any loss that may be incurred by any of them as a result of complying with the adverse claim.

(3) Unless an issuer is deemed to have notice of an adverse claim from a document that is obtained under subsection 5 of section 86 or has received notice of an adverse claim under subsection 1, if a security presented for registration is endorsed by the appropriate person, the issuer has no duty to inquire into adverse claims and in particular,

Where no duty  
to inquire

- (a) an issuer registering a security in the name of a person who is a fiduciary or who is described as a fiduciary is not bound to inquire into the existence, extent or correct description of the fiduciary relationship and thereafter the issuer may assume without inquiry that the newly registered owner continues to be the fiduciary until the issuer receives written notice that the fiduciary is no longer acting as such with respect to the particular security;
- (b) an issuer registering transfer on an endorsement by a fiduciary has no duty to inquire whether the transfer is made in compliance with the document or with the law of the jurisdiction governing the fiduciary relationship; and
- (c) an issuer is deemed not to have notice of the contents of any court record or any registered document even if the record or document is in the issuer's possession and even if the transfer is made on the endorsement of a fiduciary to the fiduciary himself or to his nominee.

(4) A written notice of adverse claim received by an issuer is effective for twelve months from the date when it was received unless the notice is renewed in writing. R.S.O. 1970, c. 53, s. 94; 1972, c. 138, s. 21, *amended*.

Limitation for  
notice

Liability of  
issuer

**88.**—(1) Except as otherwise provided in any applicable law of Canada or any province of Canada relating to the collection of taxes, the issuer is not liable to the owner or any other person who incurs a loss as a result of the registration of a transfer of a security if,

- (a) the necessary endorsements were on or with the security; and
- (b) the issuer had no duty to inquire into adverse claims or had discharged any such duty.

Idem

(2) If an issuer has registered a transfer of a security to a person not entitled to it, the issuer shall deliver on demand a like security to the owner unless,

- (a) subsection 1 applies;
- (b) the owner is precluded by subsection 1 of section 89 from asserting any claim; or
- (c) the delivery would result in overissue, in which case the issuer's liability is governed by section 57. R.S.O. 1970, c. 53, s. 95, *amended*.

Loss, etc.,  
of securities

**89.**—(1) Where a security has been lost, apparently destroyed or wrongfully taken, and the owner fails to notify the issuer of that fact by giving the issuer written notice of his adverse claim within a reasonable time after he knows of the loss, destruction or taking and if the issuer has registered a transfer of the security before receiving such notice, the owner is precluded from asserting against the issuer any claim to a new security.

Replacing  
loss, etc., of  
securities

(2) Where the owner of a security claims that the security has been lost, apparently destroyed or wrongfully taken, the issuer shall issue a new security in place of the original security if the owner,

- (a) so requests before the issuer has notice that the security has been acquired by a *bona fide* purchaser;
- (b) files with the issuer an indemnity bond sufficient in the issuer's opinion to protect the issuer and any transfer agent, registrar or other agent of the issuer from any loss that it or any of them may suffer by complying with the request to issue a new security; and
- (c) satisfies any other reasonable requirements imposed by the issuer.

(3) If, after the issue of a new security under subsection 2, a *bona fide* purchaser of the original security presents the original security for registration of transfer, the issuer shall register the transfer unless registration would result in overissue, in which case the issuer's liability is governed by section 57. Rights of *bona fide* purchaser

(4) In addition to any rights on an indemnity bond, the issuer may recover a new security issued under subsection 2 from the person to whom it was issued or any person taking under him other than a *bona fide* purchaser. R.S.O. 1970, c. 53, s. 95, *amended*. Rights of issuer

**90.**—(1) An authenticating trustee, transfer agent, registrar or other agent for an issuer has in respect of the issue, registration of transfer, and cancellation of a security of the issuer, Duty of agents for issuer

- (a) a duty to the issuer and to the holder or owner to exercise good faith and due diligence; and
- (b) the same obligations to the holder or owner of a security and the same rights, privileges and immunities as the issuer. 1972, c. 138, s. 22.

(2) Notice to an authenticating trustee, transfer agent, registrar or other such agent is notice to the issuer with respect to the functions performed by the agent. R.S.O. 1970, c. 53, s. 97 (2). Notice to agents for issuer

## PART VI

### SHAREHOLDERS

**91.**—(1) The shareholders of a corporation are not, as shareholders, liable for any act, default, obligation or liability of the corporation except under subsection 5 of section 34, subsection 5 of section 107 and section 241. R.S.O. 1970, c. 53, s. 104, *amended*. Shareholders' liability limited

(2) The provisions of *The Corporations Act* relating to the liability of a holder of shares that are not fully paid and to the enforcement of such liability apply in respect of shares that were not fully paid, Application of R.S.O. 1970, cc. 89, 53

- (a) on the 1st day of January, 1971, in the case of shares of a corporation that then became subject to *The Business Corporations Act*; or
- (b) on the day upon which any other body corporate was continued under *The Business Corporations Act* or under this Act, in the case of shares of such other body corporate. *New*.



Place of  
meetings

**92.** Subject to the articles and any unanimous shareholder agreement, a meeting of shareholders of a corporation shall be held at such place in or outside Ontario as the directors determine or, in the absence of such a determination, at the place where the registered office of the corporation is located. R.S.O. 1970, c. 53, s. 105, *amended*.

Shareholder  
meetings

**93.** Subject to subsection 1 of section 103, the directors of a corporation,

- (a) shall call an annual meeting of shareholders not later than eighteen months after the corporation comes into existence and subsequently not later than fifteen months after holding the last preceding annual meeting; and
- (b) may at any time call a special meeting of shareholders. 1971, c. 26, s. 18, *amended*.

Date for  
determining  
shareholders

**94.—(1)** For the purpose of determining shareholders,

- (a) entitled to receive payment of a dividend;
- (b) entitled to participate in a liquidation or distribution; or
- (c) for any other purpose except the right to receive notice of or to vote at a meeting,

the directors may fix in advance a date as the record date for such determination of shareholders, but the record date shall not precede by more than fifty days the particular action to be taken.

Idem

(2) For the purpose of determining shareholders entitled to receive notice of a meeting of shareholders, the directors may fix in advance a date as the record date for such determination of shareholders, but the record date shall not precede by more than fifty days or by less than twenty-one days the date on which the meeting is to be held.

Idem

(3) Where no record date is fixed,

- (a) the record date for the determination of shareholders entitled to receive notice of a meeting of shareholders shall be,
  - (i) at the close of business on the day immediately preceding the day on which the notice is given, or
  - (ii) if no notice is given, the day on which the meeting is held; and

- (b) the record date for the determination of shareholders for any purpose other than to establish a shareholder's right to receive notice of a meeting or to vote shall be at the close of business on the day on which the directors pass the resolution relating thereto.

(4) If a record date is fixed, unless notice of the record date is waived in writing by every holder of a share of the class or series affected whose name is set out in the securities register at the close of business on the day the directors fix the record date, notice thereof shall be given, not less than seven days before the date so fixed, Notice of date

- (a) by advertisement in a newspaper published or distributed in the place where the corporation has its registered office and in each place in Canada where it has a transfer agent or where a transfer of its shares may be recorded; and
- (b) by written notice to each stock exchange in Canada on which the shares of the corporation are listed for trading. 1972, c. 138, s. 27, *amended*.

**95.**—(1) Notice of the time and place of a meeting of shareholders shall be sent, in the case of an offering corporation, not less than twenty-one days and, in the case of any other corporation, not less than ten days, but, in either case, not more than fifty days, before the meeting, Notice of shareholders meetings

- (a) to each shareholder entitled to vote at the meeting;
- (b) to each director; and
- (c) to the auditor of the corporation.

(2) A notice of a meeting is not required to be sent to shareholders who were not registered on the records of the corporation or its transfer agent on the record date determined under subsection 2 or 3 of section 94, but failure to receive a notice does not deprive a shareholder of the right to vote at the meeting. Idem

(3) If a meeting of shareholders is adjourned for less than thirty days, it is not necessary, unless the by-laws otherwise provide, to give notice of the adjourned meeting other than by announcement at the earliest meeting that is adjourned. Idem

(4) If a meeting of shareholders is adjourned by one or more adjournments for an aggregate of thirty days or more, notice of the adjourned meeting shall be given as for an original meeting but, Idem

unless the meeting is adjourned by one or more adjournments for an aggregate of more than ninety days, subsection 1 of section 110 does not apply.

Special  
business

(5) All business transacted at a special meeting of shareholders and all business transacted at an annual meeting of shareholders, except consideration of the minutes of an earlier meeting, the financial statements and auditor's report, election of directors and reappointment of the incumbent auditor, is deemed to be special business.

Idem

(6) Notice of a meeting of shareholders at which special business is to be transacted shall state or be accompanied by a statement of,

- (a) the nature of that business in sufficient detail to permit the shareholder to form a reasoned judgment thereon; and
- (b) the text of any special resolution or by-law to be submitted to the meeting. R.S.O. 1970, c. 53, s. 106, *part*; 1972, c. 138, s. 26, *amended*.

Shareholders  
meeting

**96.** Subject to this Act or the articles or by-laws of a corporation or a unanimous shareholder agreement,

- (a) all questions proposed for the consideration of the shareholders shall be determined by the majority of the votes cast and the chairman presiding at the meeting shall not have a second or casting vote in case of an equality of votes;
- (b) the chairman presiding at a meeting of shareholders may, with the consent of the meeting and subject to such conditions as the meeting decides, adjourn the meeting from time to time and from place to place subject to subsections 3 and 4 of section 95; and
- (c) the president or, in his absence, a vice-president who is a director shall preside as chairman at a meeting of shareholders, but, if there is no president or such a vice-president or if at a meeting none of them is present within fifteen minutes after the time appointed for the holding of the meeting, the shareholders present shall choose a person from their number to be the chairman. R.S.O. 1970, c. 53, s. 106 (1), *part*; 1972, c. 138, s. 26.

Waiving  
notice

**97.** A shareholder and any other person entitled to attend a meeting of shareholders may in any manner and at any time waive notice of a meeting of shareholders, and attendance of any such person at a meeting of shareholders is a waiver of notice of the meeting, except where he attends a meeting for the express pur-



pose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called. 1971, c. 26, s. 42, *amended*.

**98.**—(1) A shareholder entitled to vote at a meeting of shareholders may,

- (a) submit to the corporation notice of a proposal; and
- (b) discuss at the meeting any matter in respect of which he would have been entitled to submit a proposal.

(2) Where a corporation receives notice of a proposal and the corporation solicits proxies, it shall set out the proposal in the management information circular required by section 111 or attach the proposal thereto.

(3) If so requested by a shareholder giving notice of a proposal, the corporation shall include in the management information circular or attach thereto a statement by the shareholder of not more than two hundred words in support of the proposal along with the name and address of the shareholder.

(4) A proposal may include nominations for the election of directors if the proposal is signed by one or more holders of shares representing in the aggregate not less than 5 per cent of the shares or 5 per cent of the shares of a class or series of shares of the corporation entitled to vote at the meeting to which the proposal is to be presented, but this subsection does not preclude nominations being made at a meeting of shareholders.

(5) A corporation is not required to comply with subsections 2 and 3 where,

- (a) the proposal is not submitted to the corporation at least sixty days before the anniversary date of the last annual meeting, if the matter is proposed to be raised at an annual meeting, or at least sixty days before a meeting other than the annual meeting, if the matter is proposed to be raised at a meeting other than the annual meeting;
- (b) it clearly appears that the proposal is submitted by the shareholder primarily for the purpose of enforcing a personal claim or redressing a personal grievance against the corporation or any of its directors, officers or security holders, or for a purpose that is not related in any significant way to the business or affairs of the corporation;
- (c) the corporation, at the shareholder's request, included a proposal in a management information circular relating

Proposal

Circulating  
proposal

Statement in  
support of  
proposal

Proposal  
may include  
nominations

Where subss.  
2, 3 do not  
apply

to a meeting of shareholders held within two years preceding the receipt of the request, and the shareholder failed to present the proposal, in person or by proxy, at the meeting; or

- (d) substantially the same proposal was submitted to shareholders in a management information circular or a dissident's information circular relating to a meeting of shareholders held within two years preceding the receipt of the shareholder's request and the proposal was defeated.

Where no  
liability

(6) No corporation or person acting on its behalf incurs any liability by reason only of circulating a proposal or statement in compliance with this section.

Where refusal  
to circulate  
proposal

(7) Where a corporation refuses to include a proposal in a management information circular, the corporation shall, within ten days after receiving the proposal, send notice to the shareholder submitting the proposal of its intention to omit the proposal from the management information circular and send to him a statement of the reasons for the refusal.

Idem

(8) Upon the application of a shareholder aggrieved by a corporation's refusal under subsection 7, the court may restrain the holding of the meeting to which the proposal is sought to be presented and make any further order it thinks fit.

Idem

(9) The corporation or any person aggrieved by a proposal may apply to the court for an order permitting the corporation to omit the proposal from the management information circular, and the court, if it is satisfied that subsection 5 applies, may make such order as it thinks fit.

Idem

(10) An applicant under subsection 8 or 9 shall give the Director notice of the application and the Director is entitled to appear and be heard in person or by counsel.

Interpre-  
tation

(11) In this section, "proposal" means a matter that a shareholder entitled to vote proposes to raise at a meeting of shareholders. R.S.O. 1970, c. 50, s. 102, *amended*.

List of  
shareholders

**99.—**(1) A corporation shall prepare a list of shareholders entitled to receive notice of a meeting, arranged in alphabetical order and showing the number of shares held by each shareholder, which list shall be prepared,

- (a) if a record date is fixed under subsection 2 of section 94, not later than ten days after such record date; or

- (b) if no record date is fixed,

- (i) at the close of business on the day immediately preceding the day on which notice is given, or
- (ii) where no notice is given, on the day on which the meeting is held.

(2) Where a corporation fixes a record date under subsection 2 of section 94, a person named in the list prepared under clause *a* of subsection 1 is entitled to vote the shares shown opposite his name at the meeting to which the list relates, except to the extent that, <sup>Entitlement to vote</sup>

- (a) the person has transferred any of his shares after the record date; and
- (b) the transferee of those shares,
  - (i) produces properly endorsed share certificates, or
  - (ii) otherwise establishes that he owns the shares,

and demands, not later than ten days before the meeting, or such shorter period before the meeting as the by-laws of the corporation may provide, that his name be included in the list before the meeting,

in which case the transferee is entitled to vote his shares at the meeting.

(3) Where a corporation does not fix a record date under subsection 2 of section 94, a person named in a list prepared under clause *b* of subsection 1 is entitled to vote the shares shown opposite his name at the meeting to which the list relates, except to the extent that, <sup>Idem</sup>

- (a) the person has transferred any of his shares after the date on which a list referred to in subclause i of clause *b* of subsection 1 is prepared; and
- (b) the transferee of those shares,
  - (i) produces properly endorsed share certificates, or
  - (ii) otherwise establishes that he owns the shares,

and demands not later than ten days before the meeting, or such shorter period before the meeting as the by-laws of the corporation may provide, that his name be included in the list before the meeting,

in which case the transferee is entitled to vote his shares at the meeting.

Examination of list	<p>(4) A shareholder may examine the list of shareholders,</p> <p>(a) during usual business hours at the registered office of the corporation or at the place where its central securities register is maintained; and</p> <p>(b) at the meeting of shareholders for which the list was prepared.</p>
Quorum	<b>100.</b> —(1) Unless the by-laws otherwise provide, the holders of a majority of the shares entitled to vote at a meeting of shareholders, whether present in person or represented by proxy, constitute a quorum.
Idem	(2) If a quorum is present at the opening of a meeting of shareholders, the shareholders present may, unless the by-laws otherwise provide, proceed with the business of the meeting notwithstanding that a quorum is not present throughout the meeting.
Idem	(3) If a quorum is not present at the time appointed for a meeting of shareholders, or within such reasonable time thereafter as the shareholders present may determine, the shareholders present may adjourn the meeting to a fixed time and place but may not transact any other business.
Where only one shareholder	(4) If a corporation has only one shareholder, or only one holder of any class or series of shares, the shareholder present in person or by proxy constitutes a meeting. <i>New.</i>
Voting rights	<b>101.</b> —(1) Unless the articles otherwise provide, each share of a corporation entitles the holder thereof to one vote at a meeting of shareholders.
Representative	(2) Where a body corporate or association is a shareholder of a corporation, the corporation shall recognize any individual authorized by a resolution of the directors or governing body of the body corporate or association to represent it at meetings of shareholders of the corporation. R.S.O. 1970, c. 53, s. 112 (2), <i>amended.</i>
Idem	(3) An individual authorized as set out in subsection 2 may exercise on behalf of the body corporate or association he represents all the powers it could exercise if it were an individual shareholder. R.S.O. 1970, c. 53, s. 113 (1), <i>amended.</i>
Joint shareholders	(4) Unless the by-laws otherwise provide, where two or more persons hold shares jointly, one of those holders present at a meeting of shareholders may in the absence of the others vote the shares, but if two or more of those persons are present, in person or by proxy, they shall vote as one on the shares jointly held by them. R.S.O. 1970, c. 53, s. 114, <i>amended.</i>

**102.**—(1) Unless the by-laws otherwise provide, voting at a meeting of shareholders shall be by show of hands, except where a ballot is demanded by a shareholder or proxyholder entitled to vote at the meeting. Manner of voting

(2) A shareholder or proxyholder may demand a ballot either before or after any vote by show of hands. Idem

(3) Unless a ballot is demanded, an entry in the minutes of a meeting of shareholders to the effect that the chairman declared a motion to be carried is admissible in evidence as *prima facie* proof of the fact without proof of the number or proportion of the votes recorded in favour of or against the motion. *New.* Entry in minutes

**103.**—(1) Except where a written statement is submitted by a director under subsection 2 of section 122 or where representations in writing are submitted by an auditor under subsection 6 of section 148, Resolution in lieu of meeting

(a) a resolution in writing signed by all the shareholders entitled to vote on that resolution at a meeting of shareholders is as valid as if it had been passed at a meeting of the shareholders; and

(b) a resolution in writing dealing with all matters required by this Act to be dealt with at a meeting of shareholders, and signed by all the shareholders entitled to vote at that meeting, satisfies all the requirements of this Act relating to that meeting of shareholders.

(2) A copy of every resolution referred to in subsection 1 shall be kept with the minutes of the meetings of shareholders. *R.S.O. 1970, c. 53, s. 23 (1, 2), amended.* Copy of resolution kept with minutes

**104.**—(1) The holders of not less than 5 per cent of the issued shares of a corporation that carry the right to vote at a meeting sought to be held may requisition the directors to call a meeting of shareholders for the purposes stated in the requisition. Requisition for shareholders meeting

(2) The requisition referred to in subsection 1 shall state the business to be transacted at the meeting and shall be sent to the registered office of the corporation. Idem

(3) Upon receiving the requisition referred to in subsection 1, the directors shall call a meeting of shareholders to transact the business stated in the requisition unless, Duty of directors to call meeting

(a) a record date has been fixed under subsection 2 of section 94 and notice thereof has been given under subsection 4 of section 94;



(b) the directors have called a meeting of shareholders and have given notice thereof under section 95; or

(c) the business of the meeting as stated in the requisition includes matters described in clauses *b* to *d* of subsection 5 of section 98.

Where  
requisitionist  
may call  
meeting

(4) If the directors do not within twenty-one days after receiving the requisition referred to in subsection 1 call a meeting, any shareholder who signed the requisition may call the meeting.

Calling of  
meeting

(5) A meeting called under this section shall be called as nearly as possible in the manner in which meetings are to be called under the by-laws, this Part and Part VII.

Repayment of  
expenses

(6) The corporation shall reimburse the shareholders for the expenses reasonably incurred by them in requisitioning, calling and holding the meeting unless the shareholders have not acted in good faith and in the interest of the shareholders of the corporation generally. R.S.O. 1970, c. 53, s. 109, *amended*.

Requisition by  
court

**105.**—(1) If for any reason it is impracticable to call a meeting of shareholders of a corporation in the manner in which meetings of those shareholders may be called or to conduct the meeting in the manner prescribed by the by-laws, the articles and this Act, or if for any other reason the court thinks fit, the court, upon the application of a director or a shareholder entitled to vote at the meeting, may order a meeting to be called, held and conducted in such manner as the court directs and upon such terms as to security for the costs of holding the meeting or otherwise as the court deems fit.

Power of court

(2) Without restricting the generality of subsection 1, the court may order that the quorum required by the by-laws, the articles or this Act be varied or dispensed with at a meeting called, held and conducted under this section.

Effect of  
meeting

(3) A meeting called, held and conducted under this section is for all purposes a meeting of shareholders of the corporation duly called, held and conducted. R.S.O. 1970, c. 53, ss. 110, 111, *amended*.

Application to  
court

**106.**—(1) A corporation, shareholder or director may apply to the court to determine any controversy with respect to an election or appointment of a director or auditor of the corporation.

Idem

(2) Upon an application under this section, the court may make any order it thinks fit including, without limiting the generality of the foregoing,

- (a) an order restraining a director or auditor whose election or appointment is challenged from acting pending determination of the dispute;
- (b) an order declaring the result of the disputed election or appointment;
- (c) an order requiring a new election or appointment and including in the order directions for the management of the business and affairs of the corporation until a new election is held or appointment made; and
- (d) an order determining the voting rights of shareholders and of persons claiming to own shares. *New.*

**107.—**(1) A written agreement between two or more shareholders may provide that in exercising voting rights the shares held by them shall be voted as therein provided. Agreement between shareholders

(2) An otherwise lawful written agreement among all the shareholders of a corporation or among all the shareholders and one or more persons who are not shareholders that restricts in whole or in part the powers of the directors to manage or supervise the management of the business and affairs of the corporation is valid. Idem

(3) Where a person who is the beneficial owner of all the issued shares of a corporation makes a written declaration that restricts in whole or in part the powers of the directors to manage or supervise the management of the business and affairs of a corporation, the declaration is deemed to be a unanimous shareholder agreement. Unanimous shareholder agreement

(4) Subject to subsection 3 of section 55, a transferee of shares subject to a unanimous shareholder agreement is deemed to be a party to the agreement. Party to unanimous shareholder agreement

(5) A shareholder who is a party to a unanimous shareholder agreement has all the rights, powers, duties and liabilities of a director of the corporation, whether arising under this Act or otherwise, to which the agreement relates to the extent that the agreement restricts the discretion or powers of the directors to manage or supervise the management of the business and affairs of the corporation and the directors are thereby relieved of their duties and liabilities, including any liabilities under section 130, to the same extent. Where shareholder has power, etc., of director

(6) A unanimous shareholder agreement may, without restricting the generality of subsection 2, provide that, Matters that a unanimous shareholder agreement may provide

- (a) any amendment of the unanimous shareholder agreement may be effected in the manner specified therein; and
- (b) in the event that shareholders who are parties to the unanimous shareholder agreement are unable to agree on or resolve any matter pertaining to the agreement, the matter may be referred to arbitration under such procedures and conditions as are specified in the unanimous shareholder agreement. *New.*

## PART VII

### PROXIES

Interpretation

#### **108.** In this Part,

- (a) “dissident’s information circular” means the circular referred to in clause *b* of subsection 1 of section 111;
- (b) “form of proxy” means a written or printed form that, upon completion and execution by or on behalf of a shareholder, becomes a proxy;
- (c) “management information circular” means the circular referred to in clause *a* of subsection 1 of section 111;
- (d) “proxy” means a completed and executed form of proxy by means of which a shareholder has appointed a proxyholder to attend and act on his behalf at a meeting of shareholders;
- (e) “solicit” and “solicitation” include,
  - (i) a request for a proxy whether or not accompanied by or included in a form of proxy,
  - (ii) a request to execute or not to execute a form of proxy or to revoke a proxy,
  - (iii) the sending of a form of proxy or other communication to a shareholder under circumstances reasonably calculated to result in the procurement, withholding or revocation of a proxy, and
  - (iv) the sending of a form of proxy to a shareholder under section 110,

but do not include,



- (v) the sending of a form of proxy in response to an unsolicited request made by or on behalf of a shareholder,
  - (vi) the performance of administrative acts or professional services on behalf of a person soliciting a proxy,
  - (vii) the sending of material pursuant to section 48 of *The Securities Act, 1978*, 1978. c. 47
  - (viii) a solicitation by a person in respect of shares of which he is the beneficial owner;
- (f) “solicitation by or on behalf of the management of a corporation” means a solicitation by any person pursuant to a resolution or the instructions of the directors of that corporation or a committee of such directors. R.S.O. 1970, c. 53, s. 115, *amended*.

**109.**—(1) Every shareholder entitled to vote at a meeting of shareholders may by means of a proxy appoint a proxyholder or one or more alternate proxyholders, who need not be shareholders, as his nominee to attend and act at the meeting in the manner, to the extent and with the authority conferred by the proxy. Proxies

(2) A proxy shall be executed by the shareholder or his attorney authorized in writing or, if the shareholder is a body corporate, by an officer or attorney thereof duly authorized and, in the case of a proxy appointing a proxyholder to attend and act at a meeting or meetings of shareholders of an offering corporation, ceases to be valid one year from its date. Execution and termination

(3) Every form of proxy shall comply with the regulations. Form of proxy

(4) A shareholder may revoke a proxy, Revocation

(a) by depositing an instrument in writing executed by him or by his attorney authorized in writing,

(i) at the registered office of the corporation at any time up to and including the last business day preceding the day of the meeting, or any adjournment thereof, at which the proxy is to be used, or

(ii) with the chairman of the meeting on the day of the meeting or an adjournment thereof; or

(b) in any other manner permitted by law.

Time limit  
for deposit

(5) The directors may by resolution fix a time not exceeding forty-eight hours, excluding Saturdays and holidays, preceding any meeting or adjourned meeting of shareholders before which time proxies to be used at that meeting must be deposited with the corporation or an agent thereof, and any period of time so fixed shall be specified in the notice calling the meeting. R.S.O. 1970, c. 53, s. 116, *amended*.

Mandatory  
solicitation of  
proxy

**110.**—(1) Subject to subsection 2, the management of a corporation shall, concurrently with sending notice of a meeting of shareholders, send a form of proxy in prescribed form to each shareholder who is entitled to receive notice of the meeting. R.S.O. 1970, c. 53, s. 117; 1972, c. 138, s. 28, *amended*.

Application of  
subs. 1

(2) Subsection 1 applies only to an offering corporation. *New*.

Information  
circular

**111.**—(1) No person shall solicit proxies unless,

(a) in the case of solicitation by or on behalf of the management of a corporation, a management information circular in prescribed form, either as an appendix to or as a separate document accompanying the notice of the meeting; or

(b) in the case of any other solicitation, a dissident's information circular in prescribed form,

is sent to the auditor of the corporation, to each shareholder whose proxy is solicited and, if clause *b* applies, to the corporation.

Filing copy

(2) A person required to send a management or dissident's information circular concurrently shall file with the Commission,

(a) in the case of a management information circular, a copy thereof together with a copy of the notice of meeting, form of proxy and of any other documents for use in connection with the meeting; and

(b) in the case of a dissident's information circular, a copy thereof together with a copy of the form of proxy and of any other documents for use in connection with the meeting.

Application of  
subs. 1

(3) Subsection 1 applies only to an offering corporation. R.S.O. 1970, c. 53, s. 118; 1978, c. 49, s. 5, *amended*.

Exemption  
order  
re ss. 110,  
111 (1, 2)

**112.** Upon the application of any interested person, the Commission may, if satisfied in the circumstances of the particular case that there is adequate justification for so doing, make an order, on such terms and conditions as the Commission may impose, exempting, in whole or in part, any person from the

requirements of section 110 or from the requirements of subsections 1 and 2 of section 111. R.S.O. 1970, c. 53, s. 119 (2), *amended*.

**113.**—(1) A person who solicits a proxy and is appointed proxyholder shall attend in person or cause an alternate proxyholder to attend the meeting in respect of which the proxy is given and comply with the directions of the shareholder who appointed him. Proxyholder:

(2) A proxyholder or an alternate proxyholder has the same rights as the shareholder who appointed him to speak at a meeting of shareholders in respect of any matter, to vote by way of ballot at the meeting and, except where a proxyholder or an alternate proxyholder has conflicting instructions from more than one shareholder, to vote at such a meeting in respect of any matter by way of a show of hands. rights of proxyholder

(3) Notwithstanding subsections 1 and 2, where the chairman of a meeting of shareholders declares to the meeting that, to the best of his belief, if a ballot is conducted, the total number of votes attached to the shares represented at the meeting by proxy required to be voted against what will be the decision of the meeting in relation to any matter or group of matters is less than 5 per cent of all the votes that might be cast at the meeting on such ballot, unless a shareholder, proxyholder or alternate proxyholder demands a ballot, Vote

- (a) the chairman may conduct the vote in respect of that matter or group of matters by a show of hands; and
- (b) a proxyholder or alternate proxyholder may vote in respect of that matter or group of matters by a show of hands. *New.*

## PART VIII

### DIRECTORS AND OFFICERS

**114.**—(1) Subject to any unanimous shareholder agreement, the directors shall manage or supervise the management of the business and affairs of the corporation. R.S.O. 1970, c. 53, s. 132, *amended*. Duties

- (2) The board of directors shall consist of, Board of directors
- (a) in the case of a corporation that is not an offering corporation, at least one individual; and
  - (b) in the case of a corporation that is an offering corporation, not fewer than three individuals.

(3) At least one-third of the directors of an offering corporation shall not be officers or employees of the corporation or any of its affiliates. R.S.O. 1970, c. 53, s. 122 (2), *amended*. Idem

By-laws by  
resolution

**115.**—(1) Unless the articles, the by-laws or a unanimous shareholder agreement otherwise provide, the directors may, by resolution, make, amend or repeal any by-laws that regulate the business affairs of a corporation.

Confirmation  
by shareholders

(2) Where the directors make, amend or repeal a by-law under subsection 1, they shall submit the by-law, amendment or repeal to the shareholders at the next meeting of shareholders, and the shareholders may confirm, reject or amend the by-law, amendment or repeal.

Effective date

(3) Where a by-law is made, amended or repealed under subsection 1, the by-law, amendment or repeal is effective from the date of the resolution of the directors until it is confirmed, confirmed as amended or rejected by the shareholders under subsection 2 or until it ceases to be effective under subsection 4 and, where the by-law is confirmed or confirmed as amended, it continues in effect in the form in which it was so confirmed.

Rejection, etc.

(4) If a by-law or an amendment or repeal of a by-law is rejected by the shareholders, or if the directors do not submit the by-law, amendment or repeal to the shareholders as required under subsection 2, the by-law, amendment or repeal ceases to be effective on the date of such rejection or on the date of the meeting of shareholders at which it should have been submitted, as the case may be, and no subsequent resolution of the directors to make, amend or repeal a by-law having substantially the same purpose or effect is effective until it is confirmed or confirmed as amended by the shareholders.

By-law re  
shareholder  
proposal

(5) If a shareholder proposal to make, amend or repeal a by-law is made in accordance with section 98 and is adopted by shareholders at a meeting, the by-law, amendment or repeal is effective from the date of its adoption and requires no further confirmation.

By-law need  
not be so  
described

(6) A by-law need not be described as a by-law in a resolution referred to in this section. R.S.O. 1970, c. 53, s. 21, *amended*.

First directors  
meeting

**116.**—(1) After incorporation, a meeting of the directors of a corporation shall be held at which the directors may,

(a) make by-laws;

(b) adopt forms of security certificates and corporate records;

(c) authorize the issue of securities;

- (d) appoint officers;
- (e) appoint one or more auditors to hold office until the first annual or special meeting of shareholders;
- (f) make banking arrangements; and
- (g) transact any other business.

(2) Any matter referred to in subsection 1 may be dealt with by the directors by a resolution in writing in accordance with subsection 1 of section 128. Resolution in writing

(3) Subsection 1 does not apply to a body corporate to which a certificate of amalgamation has been issued under subsection 4 of section 176 or to which a certificate of continuance has been issued under subsection 4 of section 178. Where subs. 1 does not apply

(4) An incorporator or a director may call the meeting of directors referred to in subsection 1 by giving not less than five days notice thereof to each director, stating the time and place of the meeting. *New.* Calling meeting

**117.**—(1) The following persons are disqualified from being a director of a corporation: Director disqualification

1. A person who is less than eighteen years of age.
2. A person who is of unsound mind and has been so found by a court in Canada or elsewhere.
3. A person who is not an individual.
4. A person who has the status of bankrupt. R.S.O. 1970, c. 53, s. 125, *part*; 1971, c. 98, s. 4, Sched., *amended*.

(2) Unless the articles otherwise provide, a director of a corporation is not required to hold shares issued by the corporation. *New.* Holding shares

(3) A majority of the directors of every corporation other than a non-resident corporation shall be resident Canadians but where a corporation has only one or two directors, that director or one of the two directors, as the case may be, shall be a resident Canadian. 1974, c. 26, s. 2, *amended*. Directors to be resident Canadians

**118.**—(1) Each director named in the articles shall hold office from the date of endorsement of the certificate of incorporation until the first meeting of shareholders. First directors

(2) No director named in the articles shall be permitted to resign his office unless at the time the resignation is to become effective a successor is elected or appointed. Idem



- Idem (3) The first directors of a corporation named in the articles have all the powers and duties and are subject to all the liabilities of directors.
- Election of directors (4) Subject to clause *a* of section 119, shareholders of a corporation shall elect, at the first meeting of shareholders and at each succeeding annual meeting at which an election of directors is required, directors to hold office for a term expiring not later than the close of the third annual meeting of shareholders following the election.
- Term for directors (5) It is not necessary that all directors elected at a meeting of shareholders hold office for the same term.
- Idem (6) A director not elected for an expressly stated term ceases to hold office at the close of the first annual meeting of shareholders following his election.
- Idem (7) Notwithstanding the provisions of this section, if directors are not elected at a meeting of shareholders the incumbent directors continue in office until their successors are elected.
- Failure to elect required number of directors (8) If a meeting of shareholders fails to elect the number of directors required by the articles or by section 124 by reason of the disqualification, incapacity or death of one or more candidates, the directors elected at that meeting, if they constitute a quorum, may exercise all the powers of the directors of the corporation pending the holding of a meeting of shareholders in accordance with subsection 3 of section 123. R.S.O. 1970, c. 53, ss. 123, 126; 1972, c. 138, s. 31, *amended*.
- Cumulative voting for directors **119.** Where the articles provide for cumulative voting,
- (a) each shareholder entitled to vote at an election of directors has the right to cast a number of votes equal to the number of votes attached to the shares held by him multiplied by the number of directors to be elected, and he may cast all such votes in favour of one candidate or distribute them among the candidates in any manner;
  - (b) a separate vote of shareholders shall be taken with respect to each candidate nominated for director unless a resolution is passed unanimously permitting two or more persons to be elected by a single resolution;
  - (c) if a shareholder has voted for more than one candidate without specifying the distribution of his votes among the candidates, he is deemed to have distributed his votes equally among the candidates for whom he voted;

- (d) if the number of candidates nominated for director exceeds the number of positions to be filled, the candidates who receive the least number of votes shall be eliminated until the number of candidates remaining equals the number of positions to be filled;
- (e) each director ceases to hold office at the close of the first annual meeting of shareholders following his election;
- (f) a director may not be removed from office if the votes cast against his removal would be sufficient to elect him and such votes could be voted cumulatively at an election at which the same total number of votes were cast and the number of directors required by the articles were then being elected;
- (g) the number of directors required by the articles may not be decreased if the votes cast against the motion to decrease would be sufficient to elect a director and such votes could be voted cumulatively at an election at which the same total number of votes were cast and the number of directors required by the articles were then being elected; and
- (h) the articles shall require a fixed number and not a minimum and maximum number of directors. R.S.O. 1970, c. 53, s. 127; 1972, c. 138, s. 37, *amended*.

**120.**—(1) A director of a corporation ceases to hold office when, When director ceases to hold office

- (a) he dies or, subject to subsection 2 of section 118, resigns;
- (b) he is removed in accordance with section 121; or
- (c) he becomes disqualified under subsection 1 of section 117.

(2) A resignation of a director becomes effective at the time a Idem written resignation is received by the corporation or at the time specified in the resignation, whichever is later. *New*.

**121.**—(1) Subject to clause *f* of section 119 the shareholders of a corporation may by ordinary resolution at an annual or special meeting remove any director or directors from office. Removal of directors

(2) Where the holders of any class or series of shares of a Idem corporation have an exclusive right to elect one or more directors, a director so elected may only be removed by an ordinary resolution at a meeting of the shareholders of that class or series.

Idem (3) Subject to clauses *a* to *d* of section 119, a vacancy created by the removal of a director may be filled at the meeting of the shareholders at which the director is removed or, if not so filled, may be filled under section 123. R.S.O. 1970, c. 53, s. 140, *amended*.

Entitlement of director **122.**—(1) A director of a corporation is entitled to receive notice of and to attend and be heard at every meeting of shareholders.

Idem (2) A director who,

- (a) resigns;
- (b) receives a notice or otherwise learns of a meeting of shareholders called for the purpose of removing him from office; or
- (c) receives a notice or otherwise learns of a meeting of directors or shareholders at which another person is to be appointed or elected to fill the office of director, whether because of the resignation or removal of the director or because his term of office has expired or is about to expire,

is entitled to submit to the corporation a written statement giving the reasons for his resignation or the reasons why he opposes any proposed action or resolution, as the case may be.

Distribution of statement (3) Upon receiving a statement under subsection 2, a corporation shall forthwith send a copy of the statement to every shareholder entitled to receive notice of meetings of shareholders and to the Director unless the statement is included in or attached to a management information circular required by section 111.

No liability (4) No corporation or person acting on its behalf incurs any liability by reason only of circulating a director's statement in compliance with subsection 3. *New*.

Vacancies **123.**—(1) Notwithstanding subsection 6 of section 125, but subject to subsections 2, 4 and 5 of this section, a quorum of directors may fill a vacancy among the directors, except a vacancy resulting from,

- (a) an increase in the number of directors otherwise than in accordance with subsection 2, or in the maximum number of directors, as the case may be; or
- (b) a failure to elect the number of directors required to be elected at any meeting of shareholders.

Appointment of directors subsequent to annual meeting (2) Where a special resolution passed under subsection 2 of section 124 empowers the directors of a corporation the articles of



which provide for a minimum and maximum number of directors to determine the number of directors, the directors may not, between meetings of shareholders, appoint an additional director if, after such appointment, the total number of directors would be greater than one and one-third times the number of directors required to have been elected at the last annual meeting of shareholders.

(3) If there is not a quorum of directors, or if there has been a failure to elect the number of directors required by the articles or by section 124, the directors then in office shall forthwith call a special meeting of shareholders to fill the vacancy and, if they fail to call a meeting or if there are no directors then in office, the meeting may be called by any shareholder.

Election of directors to make quorum

(4) Where the holders of any class or series of shares of a corporation have an exclusive right to elect one or more directors and a vacancy occurs among those directors,

Where elected by class of shareholders

(a) subject to subsection 5, the remaining directors elected by that class or series may fill the vacancy except a vacancy resulting from an increase in the number of directors for that class or series or from a failure to elect the number of directors for that class or series; or

(b) if there are no such remaining directors, any holder of shares of that class or series may call a meeting of the holders thereof for the purpose of filling the vacancy.

(5) The articles may provide that a vacancy among the directors shall only be filled by a vote of the shareholders, or by a vote of the holders of any class or series of shares having an exclusive right to elect one or more directors if the vacancy occurs among the directors elected by that class or series.

Idem. where no quorum

(6) A director appointed or elected to fill a vacancy holds office for the unexpired term of his predecessor. R.S.O. 1970, c. 53, s. 128 (3); 1972, c. 138, s. 32, *amended*.

Term

**124.**—(1) A corporation may increase or decrease the number, or the minimum or maximum number, of its directors in accordance with clause *m* of subsection 1 of section 166, but no decrease in the number of directors shall shorten the term of an incumbent director.

Change in number of directors

(2) Where a minimum and maximum number of directors of a corporation is provided for in its articles, the number of directors of the corporation and the number of directors to be elected at the annual meeting of the shareholders shall be such number as shall be determined from time to time by special resolution or, if the

Number of directors

special resolution empowers the directors to determine the number, by resolution of the directors.

Filing of  
special  
resolution

(3) The corporation shall file with the Director a certified copy of a special resolution or resolution of the directors, as the case may be, referred to in subsection 2, within ten days after it is passed.

Validity

(4) Failure to comply with subsection 3 does not affect the validity of a special resolution or resolution of the directors therein referred to. R.S.O. 1970, c. 53, s. 124, *amended*.

Place of  
meetings

**125.**—(1) Subject to subsection 2, a meeting of the board of directors shall be held at the place where the registered office of the corporation is located.

Exceptions

(2) Where the by-laws of the corporation so provide, a meeting of the board of directors may be held at any place within or outside Ontario, but, except where the corporation is a non-resident corporation or the articles or the by-laws otherwise provide, in any financial year of the corporation a majority of the meetings of the board of directors shall be held at a place within Canada.

Quorum

(3) Subject to the articles or by-laws and subsection 4, a majority of the number of directors or minimum number of directors required by the articles constitutes a quorum at any meeting of directors, but in no case shall a quorum be less than two-fifths of the number of directors or minimum number of directors, as the case may be.

Idem

(4) Where a corporation has fewer than three directors, both directors of the corporation must be present at any meeting of directors to constitute a quorum.

Idem

(5) Subject to the articles or by-laws, where there is a vacancy or vacancies in the board of directors, the remaining directors may exercise all the powers of the board so long as a quorum of the board remains in office.

Transacting  
business

(6) Directors, other than directors of a non-resident corporation, shall not transact business at a meeting of directors unless a majority of directors present are resident Canadians.

Idem

(7) Notwithstanding subsection 6, directors may transact business at a meeting of directors where a majority of resident Canadian directors is not present if,

- (a) a resident Canadian director who is unable to be present approves in writing or by telephone or other communications facilities the business transacted at the meeting; and

- (b) a majority of resident Canadian directors would have been present had that director been present at the meeting.

(8) In addition to any other provision in the articles or by-laws of a corporation for calling meetings of directors, a quorum of the directors may, at any time, call a meeting of the directors for the transaction of any business the general nature of which is specified in the notice calling the meeting. Calling meeting of directors

(9) In the absence of any other provision in that behalf in the by-laws of the corporation, notice of the time and place for the holding of the meeting called under subsection 8 shall be given to every director of the corporation by sending the notice ten days or more before the date of the meeting to his latest address as shown on the records of the corporation. Notice

(10) A notice of a meeting of directors shall specify any matter referred to in subsection 3 of section 126 that is to be dealt with at the meeting but, subject to the by-laws, need not otherwise specify the business to be transacted at the meeting. Idem

(11) A director may in any manner and at any time waive a notice of a meeting of directors and attendance of a director at a meeting of directors is a waiver of notice of the meeting, except where a director attends a meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called. Waiver of notice

(12) Notice of an adjourned meeting of directors is not required to be given if the time and place of the adjourned meeting is announced at the original meeting. Adjourned meeting

(13) Where a corporation has only one director, that director may constitute a meeting. Where one director

(14) Unless the by-laws otherwise provide, if all the directors of a corporation present at or participating in the meeting consent, a meeting of directors or of a committee of directors may be held by means of such telephone, electronic or other communication facilities as permit all persons participating in the meeting to communicate with each other simultaneously and instantaneously, and a director participating in such a meeting by such means is deemed for the purposes of this Act to be present at that meeting. Meeting by telephone, etc.

(15) If a majority of the directors participating in a meeting held under subsection 14 are then in Canada, the meeting shall be deemed to have been held in Canada. R.S.O. 1970, c. 53, s. 131; 1972, c. 138, s. 33, *amended*. Place of meeting by telephone

Executive  
committee

**126.**—(1) Subject to the articles or by-laws, directors of a corporation may appoint from their number a managing director, who is a resident Canadian, or a committee of directors and delegate to such managing director or committee any of the powers of the directors.

Idem

(2) If the directors of a corporation other than a non-resident corporation, appoint a committee of directors, a majority of the members of the committee shall be resident Canadians.

Limitations on  
authority

(3) Notwithstanding subsection 1, no managing director and no committee of directors has authority to,

(a) submit to the shareholders any question or matter requiring the approval of the shareholders;

(b) fill a vacancy among the directors or in the office of auditor or appoint or remove any of the chief executive officer, however designated, the chief financial officer, however designated, the chairman or the president of the corporation;

(c) subject to section 182, issue securities except in the manner and on the terms authorized by the directors;

(d) declare dividends;

(e) purchase, redeem or otherwise acquire shares issued by the corporation;

(f) pay a commission referred to in section 37;

(g) approve a management information circular referred to in Part VII;

(h) approve a take-over bid circular, directors' circular, or issuer bid circular referred to in Part XIX of *The Securities Act, 1978*;

(i) approve any financial statements referred to in clause b of subsection 1 of section 152 and Part XVII of *The Securities Act, 1978*; or

(j) adopt, amend or repeal by-laws. R.S.O. 1970, c. 53, s. 133 (2); 1974, c. 26, s. 5, *amended*.

1978, c. 47

Validity of acts  
of directors and  
officers

**127.** An act done by a director or by an officer is not invalid by reason only of any defect that is thereafter discovered in his appointment, election or qualification. R.S.O. 1970, c. 53, s. 145.

**128.**—(1) A resolution in writing, signed by all the directors entitled to vote on that resolution at a meeting of directors or a committee of directors, is as valid as if it had been passed at a meeting of directors or a committee of directors. R.S.O. 1970, c. 53, s. 23 (1), *amended*. Resolutions in writing

(2) A copy of every resolution passed under subsection 1 shall be kept with the minutes of the proceedings of the directors or committee of directors. *New*. Copy to be kept

**129.**—(1) Directors of a corporation who vote for or consent to a resolution authorizing the issue of a share for a consideration other than money contrary to section 23 are jointly and severally liable to the corporation to make good any amount by which the consideration received is less than the fair equivalent of the money that the corporation would have received if the share had been issued for money on the date of the resolution. *New*. Liability of directors

(2) Directors of a corporation who vote for or consent to a resolution authorizing, Idem

(a) any financial assistance contrary to section 20;

(b) a purchase, redemption or other acquisition of shares contrary to section 30, 31 or 32;

(c) a commission contrary to section 37;

(d) a payment of a dividend contrary to section 38;

(e) a payment of an indemnity contrary to section 135; or

(f) a payment to a shareholder contrary to section 183 or 246,

are jointly and severally liable to restore to the corporation any amounts so distributed or paid and not otherwise recovered by the corporation.

(3) A director who has satisfied a judgment rendered under this section is entitled to contribution from the other directors who voted for or consented to the unlawful act upon which the judgment was founded. Joint liability

(4) A director liable under subsection 2 is entitled to apply to the court for an order compelling a shareholder or other recipient to pay or deliver to the director any money or property that was paid or distributed to the shareholder or other recipient contrary to section 20, 30, 31, 32, 37, 38, 135, 183 or 246. Application to court



What court  
may order

(5) In connection with an application under subsection 4, the court may, if it is satisfied that it is equitable to do so,

- (a) order a shareholder or other recipient to pay or deliver to a director any money or property that was paid or distributed to the shareholder or other recipient contrary to section 20, 30, 31, 32, 37, 38, 135, 183 or 246;
- (b) order a corporation to return or issue shares to a person from whom the corporation has purchased, redeemed or otherwise acquired shares; or
- (c) make any further order it thinks fit.

Exception to  
subs. 1

(6) A director is not liable under subsection 1 if he proves that he did not know and could not reasonably have known that the share was issued for a consideration less than the fair equivalent of the money that the corporation would have received if the share had been issued for money.

Time limitation

(7) An action to enforce a liability imposed by this section may not be commenced after two years from the date of the resolution authorizing the action complained of. R.S.O. 1970, c. 53, ss. 135, 136, 146, *amended*.

Liability of  
directors for  
wages  
R.S.O. 1970,  
c. 263,

1974, c. 112

**130.**—(1) The directors of a corporation are jointly and severally liable to the employees of the corporation to whom *The Master and Servant Act* applies for all debts that become due while they are directors for services performed for the corporation, not exceeding six months wages and for the vacation pay accrued for not more than twelve months under *The Employment Standards Act, 1974*, and the regulations thereunder, or under any collective agreement made by the corporation.

Limitation  
of liability

(2) A director is liable under subsection 1, only if,

- (a) either,
  - (i) the corporation and the directors as party defendants have been sued for the debt within six months after it has become due and execution against the corporation has been returned unsatisfied in whole or in part, or
  - (ii) the corporation has within that period gone into liquidation or has been ordered to be wound up or has made an authorized assignment under the *Bankruptcy Act* (Canada) or a receiving order under the *Bankruptcy Act* (Canada) has been made against it and, in any such case, the claim for the debt has been proved; and

R.S.C. 1970,  
c. B-4

- (b) he is sued in the action against the corporation as a party defendant while he is a director, or within two years after he ceases to be a director.

(3) Where execution referred to in clause *a* of subsection 2 has <sup>Idem</sup> issued, the amount recoverable from a director is the amount remaining unsatisfied after execution.

(4) Where a director pays a debt under subsection 1 that is <sup>Rights of director who pays debt</sup> proved in liquidation and dissolution or bankruptcy proceedings, he is entitled to any preference that the employee would have been entitled to, and where a judgment has been obtained he is entitled to an assignment of the judgment.

(5) A director who has satisfied a claim under this section is <sup>Idem</sup> entitled to contribution from the other directors who were liable for the claim. R.S.O. 1970, c. 53, s. 139, *amended*.

**131.**—(1) A director or officer of a corporation who,

<sup>Disclosure: conflict of interest</sup>

- (a) is a party to a material contract or transaction or proposed material contract or transaction with the corporation; or
- (b) is a director or an officer of, or has a material interest in, any person who is a party to a material contract or transaction or proposed material contract or transaction with the corporation,

shall disclose in writing to the corporation or request to have entered in the minutes of meetings of directors the nature and extent of his interest.

(2) The disclosure required by subsection 1 shall be made, in <sup>by director</sup> the case of a director,

- (a) at the meeting at which a proposed contract or transaction is first considered;
- (b) if the director was not then interested in a proposed contract or transaction, at the first meeting after he becomes so interested;
- (c) if the director becomes interested after a contract is made or a transaction is entered into, at the first meeting after he becomes so interested; or
- (d) if a person who is interested in a contract or transaction later becomes a director, at the first meeting after he becomes a director.

by officer

(3) The disclosure required by subsection 1 shall be made, in the case of an officer who is not a director,

- (a) forthwith after he becomes aware that the contract or transaction or proposed contract or transaction is to be considered or has been considered at a meeting of directors;
- (b) if the officer becomes interested after a contract is made or a transaction is entered into, forthwith after he becomes so interested; or
- (c) if a person who is interested in a contract or transaction later becomes an officer, forthwith after he becomes an officer.

Where contract  
or  
transaction  
does not  
require  
approval

(4) Notwithstanding subsections 2 and 3, where subsection 1 applies to a director or officer in respect of a material contract or transaction or proposed material contract or transaction that, in the ordinary course of the corporation's business, would not require approval by the directors or shareholders, the director or officer shall disclose in writing to the corporation or request to have entered in the minutes of meetings of directors the nature and extent of his interest forthwith after the director or officer becomes aware of the contract or transaction or proposed contract or transaction.

Director  
not to vote

(5) A director referred to in subsection 1 shall not vote on any resolution to approve the contract or transaction unless the contract or transaction is,

- (a) an arrangement by way of security for money lent to or obligations undertaken by him for the benefit of the corporation or an affiliate;
- (b) one relating primarily to his remuneration as a director, officer, employee or agent of the corporation or an affiliate;
- (c) one for indemnity or insurance under section 135; or
- (d) one with an affiliate. *New.*

General notice  
of interest

(6) For the purposes of this section, a general notice to the directors by a director or officer disclosing that he is a director or officer of or has a material interest in a person and is to be regarded as interested in any contract made or any transaction entered into with that person, is a sufficient disclosure of interest in relation to any contract so made or transaction so entered into. 1972, c. 138, s. 36 (2), *amended*.



(7) Where a material contract is made or a material transaction is entered into between a corporation and a director or officer of the corporation, or between a corporation and another person of which a director or officer of the corporation is a director or officer or in which he has a material interest, Effect of disclosure

- (a) the director or officer is not accountable to the corporation or its shareholders for any profit or gain realized from the contract or transaction; and
- (b) the contract or transaction is neither void nor voidable,

by reason only of that relationship or by reason only that the director is present at or is counted to determine the presence of a quorum at the meeting of directors that authorized the contract or transaction, if the director or officer disclosed his interest in accordance with subsection 2, 3, 4 or 6, as the case may be, and the contract or transaction was reasonable and fair to the corporation at the time it was so approved. 1971, c. 26, s. 20, *amended*.

(8) Notwithstanding anything in this section, a director or officer, if he was acting honestly and in good faith, is not accountable to the corporation or to its shareholders for any profit or gain realized from any such contract or transaction by reason only of his holding the office of director or officer, and the contract or transaction, if it was reasonable and fair to the corporation at the time it was approved, is not by reason only of the director's or officer's interest therein void or voidable, Confirmation by shareholders

- (a) if the contract or transaction is confirmed or approved by special resolution at a meeting of the shareholders duly called for that purpose; and
- (b) if the nature and extent of the director's or officer's interest in the contract or transaction are disclosed in reasonable detail in the notice calling the meeting or in the information circular required by section 111.

(9) Subject to subsections 7 and 8, where a director or officer of a corporation fails to disclose his interest in a material contract or transaction in accordance with this section or otherwise fails to comply with this section, the corporation or a shareholder of the corporation, or, in the case of an offering corporation, the Commission may apply to the court for an order setting aside the contract or transaction and directing that the director or officer account to the corporation for any profit or gain realized and upon such application the court may so order or make such other order as it thinks fit. *New*. Court setting aside contract

**132.** Subject to the articles, the by-laws or any unanimous Officers shareholder agreement,

- (a) the directors may designate the offices of the corporation, appoint officers, specify their duties and delegate to them powers to manage the business and affairs of the corporation, except, subject to section 182, powers to do anything referred to in subsection 3 of section 126;
- (b) a director may be appointed to any office of the corporation; and
- (c) two or more offices of the corporation may be held by the same person. *New.*

Standards of care, etc., of directors, etc.

**133.**—(1) Every director and officer of a corporation in exercising his powers and discharging his duties shall,

- (a) act honestly and in good faith with a view to the best interests of the corporation; and
- (b) exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. R.S.O. 1970, c. 53, s. 144, *amended*.

Duty to comply with Act, etc.

(2) Every director and officer of a corporation shall comply with this Act, the regulations, articles, by-laws and any unanimous shareholder agreement.

Can not contract out of liability

(3) Subject to subsection 5 of section 107, no provision in a contract, the articles, the by-laws or a resolution relieves a director or officer from the duty to act in accordance with this Act and the regulations or relieves him from liability for a breach thereof. *New.*

Consent of director at meeting

**134.**—(1) A director who is present at a meeting of directors or committee of directors is deemed to have consented to any resolution passed or action taken thereat unless,

- (a) he requests that his dissent be or his dissent is entered in the minutes of the meeting;
- (b) he sends his written dissent to the secretary of the meeting before the meeting is terminated; or
- (c) he sends his dissent by registered mail or delivers it to the registered office of the corporation immediately after the meeting is terminated.

Idem

(2) A director who votes for or consents to a resolution is not entitled to dissent under subsection 1.

Idem

(3) A director who was not present at a meeting at which a resolution was passed or action taken is deemed to have consented

thereto unless within seven days after he becomes aware of the resolution he,

- (a) causes his dissent to be placed with the minutes of the meeting; or
- (b) sends his dissent by registered mail or delivers it to the registered office of the corporation.

(4) A director is not liable under section 129 or 133 if he relies in good faith upon, Entitled to rely on statements, etc.

- (a) financial statements of the corporation represented to him by an officer of the corporation or in a written report of the auditor of the corporation to present fairly the financial position of the corporation in accordance with generally accepted accounting principles; or
- (b) a report of a lawyer, accountant, engineer, appraiser or other person whose profession lends credibility to a statement made by him. R.S.O. 1970, c. 53, s. 137; 1971, c. 26, s. 21, *amended*.

**135.**—(1) Except in respect of an action by or on behalf of the corporation or body corporate to procure a judgment in its favour, a corporation may indemnify a director or officer of the corporation, a former director or officer of the corporation or a person who acts or acted at the corporation's request as a director or officer of a body corporate of which the corporation is or was a shareholder or creditor, and his heirs and legal representatives, against all costs, charges and expenses, including an amount paid to settle an action or satisfy a judgment, reasonably incurred by him in respect of any civil, criminal or administrative action or proceeding to which he is made a party by reason of being or having been a director or officer of such corporation or body corporate, if, Indemnification of directors

- (a) he acted honestly and in good faith with a view to the best interests of the corporation; and
- (b) in the case of a criminal or administrative action or proceeding that is enforced by a monetary penalty, he had reasonable grounds for believing that his conduct was lawful.

(2) A corporation may with the approval of the court indemnify Idem a person referred to in subsection 1 in respect of an action by or on behalf of the corporation or body corporate to procure a judgment in its favour, to which he is made a party by reason of being or having been a director or an officer of the corporation or body corporate, against all costs, charges and expenses reasonably

incurred by him in connection with such action if he fulfils the conditions set out in clauses *a* and *b* of subsection 1.

Idem

(3) Notwithstanding anything in this section, a person referred to in subsection 1 is entitled to indemnity from the corporation in respect of all costs, charges and expenses reasonably incurred by him in connection with the defence of any civil, criminal or administrative action or proceeding to which he is made a party by reason of being or having been a director or officer of the corporation or body corporate, if the person seeking indemnity,

(a) was substantially successful on the merits in his defence of the action or proceeding; and

(b) fulfils the conditions set out in clauses *a* and *b* of subsection 1.

Liability  
insurance

(4) A corporation may purchase and maintain insurance for the benefit of any person referred to in subsection 1 against any liability incurred by him,

(a) in his capacity as a director or officer of the corporation, except where the liability relates to his failure to act honestly and in good faith with a view to the best interests of the corporation; or

(b) in his capacity as a director or officer of another body corporate where he acts or acted in that capacity at the corporation's request, except where the liability relates to his failure to act honestly and in good faith with a view to the best interests of the body corporate.

Application to  
court

(5) A corporation or a person referred to in subsection 1 may apply to the court for an order approving an indemnity under this section and the court may so order and make any further order it thinks fit.

Idem

(6) Upon an application under subsection 5, the court may order notice to be given to any interested person and such person is entitled to appear and be heard in person or by counsel. R.S.O. 1970, c. 53, s. 147, *amended*.

Remuneration  
of directors

**136.** Subject to the articles, the by-laws or any unanimous shareholder agreement, the directors of a corporation may fix the remuneration of the directors, officers and employees of the corporation. R.S.O. 1970, c. 53, s. 22 (1), *amended*.

## PART IX

## INSIDER LIABILITY

**137.**—(1) In this Part,

Interpretation

(a) “corporation” means a corporation that is not an offering corporation;

(b) “insider” means, with respect to a corporation,

(i) the corporation,

(ii) an affiliate of the corporation,

(iii) a director or officer of the corporation,

(iv) a person who beneficially owns, directly or indirectly, more than 10 per cent of the voting securities of the corporation or who exercises control or direction over more than 10 per cent of the votes attached to the voting securities of the corporation,

(v) a person employed or retained by the corporation, or

(vi) a person who receives specific confidential information from a person described in this clause or in subsection 3, including a person described in this subclause, and who has knowledge that the person giving the information is a person described in this clause or in subsection 3, including a person described in this subclause;

(c) “security” includes a warrant.

## (2) For the purposes of this Part,

Insider

(a) a director or officer of a body corporate that is an insider of a corporation is deemed to be an insider of the corporation;

(b) a director or officer of a body corporate that is a subsidiary is deemed to be an insider of its holding corporation;



- (c) a person is deemed to own beneficially shares beneficially owned by a body corporate controlled by him directly or indirectly; and
- (d) a body corporate is deemed to own beneficially shares beneficially owned by its affiliates.

Idem

(3) For the purposes of this Part,

- (a) where a body corporate becomes an insider of a corporation, or enters into a business combination with a corporation, a director or an officer of the body corporate or a shareholder of the body corporate who is a person referred to in subclause iv of clause *b* of subsection 1 is deemed to have been an insider of the corporation for the previous six months or for such shorter period as he was a director, an officer or such a shareholder of the body corporate; and
- (b) where a corporation becomes an insider of a body corporate or enters into a business combination with a body corporate, a director or an officer of the body corporate or a shareholder of the body corporate who is a person referred to in subclause iv of clause *b* of subsection 1 is deemed to have been an insider of the corporation for the previous six months or for such shorter period as he was a director, an officer or such a shareholder of the body corporate.

Business combination

(4) In subsection 3, “business combination” means an acquisition of all or substantially all the property of one body corporate by another or an amalgamation of two or more bodies corporate.

Liability of insider

(5) An insider who, in connection with a transaction in a security of the corporation or any of its affiliates, makes use of any specific confidential information for his own benefit or advantage that, if generally known, might reasonably be expected to affect materially the value of the security,

- (a) is liable to compensate any person for any direct loss suffered by that person as a result of the transaction, unless the information was known or in the exercise of reasonable diligence should have been known to that person; and
- (b) is accountable to the corporation for any direct benefit or advantage received or receivable by the insider as a result of the transaction.

(6) An action to enforce a right created by subsection 5 may be commenced only within two years after discovery of the facts that gave rise to the cause of action. *New.* Limitation period

## PART X

### BOOKS AND RECORDS

**138.**—(1) Where this Act requires a record to be kept by a corporation, it may be kept in a bound or looseleaf book or may be entered or recorded by any system of mechanical or electronic data processing or any other information storage device. Records

(2) The corporation shall,

- (a) take adequate precautions, appropriate to the means used, for guarding against the risk of falsifying the information recorded; and Guard against falsification of records
- (b) provide means for making the information available in an accurate and intelligible form within a reasonable time to any person lawfully entitled to examine the records.

(3) The bound or looseleaf book or, where the record is not kept in a bound or looseleaf book, the information in the form in which it is made available under clause *b* of subsection 2 is admissible in evidence as *prima facie* proof, before and after dissolution of the corporation, of all facts stated therein. Admissibility of records in evidence

(4) No person shall remove, withhold or destroy information required by this Act or the regulations to be recorded, or, False information

- (a) record or assist in recording any information in a record; or
- (b) make information purporting to be accurate available in a form referred to in clause *b* of subsection 2,

knowing it to be untrue. R.S.O. 1970, c. 53, s. 156, *amended*.

**139.**—(1) A corporation shall prepare and maintain, at its registered office or at such other place in Ontario designated by the directors, Records

- (a) the articles and the by-laws and all amendments thereto, and a copy of any unanimous shareholder agreement known to the directors;
- (b) minutes of meetings and resolutions of shareholders;
- (c) a register of directors in which are set out the names and residence addresses, while directors, including the street

and number, if any, of all persons who are or have been directors of the corporation with the several dates on which each became or ceased to be a director;

(d) a securities register complying with section 140.

*Idem*

(2) In addition to the records described in subsection 1, a corporation shall prepare and maintain,

(a) adequate accounting records; and

(b) records containing minutes of meetings and resolutions of the directors and any committee thereof,

but, provided the retention requirements of any taxing authority of Ontario, the government of Canada or any other jurisdiction to which the corporation is subject have been satisfied, the accounting records mentioned in clause *a* need only be retained by the corporation for six years from the end of the last fiscal period to which they relate.

*Idem*

(3) For the purposes of clause *b* of subsection 1 and subsection 2, where a body corporate is continued under this Act, "records" includes similar records required by law to be maintained by the body corporate before it was so continued. R.S.O. 1970, c. 53, ss. 157, 160; 1972, c. 138, ss. 40, 42, *amended*.

Securities  
register

**140.**—(1) A corporation shall prepare and maintain at its registered office, or at any other place in Ontario designated by the directors, a securities register in which it records the securities issued by it in registered form, showing with respect to each class or series of securities,

(a) the names, alphabetically arranged, and the latest known address of persons who,

(i) are or have been within six years registered as shareholders of the corporation, the address including the street and number, if any, of every such person while a holder, and the number and class of shares registered in the name of such holder,

(ii) are or have been within six years registered as holders of debt obligations of the corporation, the address including the street and number, if any, of every such person while a holder, and the class or series and principal amount of the debt obligations registered in the name of such holder, or



(iii) are or have been within six years registered as holders of warrants of the corporation, other than warrants exercisable within one year from the date of issue, the address including the street and number, if any, of every such person while a registered holder, and the class or series and number of warrants registered in the name of such holder; and

(b) the date and particulars of the issue of each security and warrant. R.S.O. 1970, c. 53, s. 157, par. 3; 1972, c. 138, s. 40, *amended*.

(2) Every corporation shall cause to be kept a register of transfers in which all transfers of securities issued by the corporation in registered form and the date and other particulars of each transfer shall be set out. R.S.O. 1970, c. 53, s. 158. Register of transfers

(3) In this section and in section 142, “registered form” has the same meaning as in Part V. *New*. Interpretation

**141.** For each class of securities and warrants issued by it, a corporation may appoint, Transfer agents

(a) a trustee, transfer agent or other agent to keep the securities register and the register of transfers and one or more persons or agents to keep branch registers; and

(b) a registrar, trustee or agent to maintain a record of issued security certificates and warrants,

and, subject to section 47, one person may be appointed for the purposes of both clauses *a* and *b* in respect of all securities and warrants of the corporation or any class or classes thereof. 1972, c. 138, s. 41, *amended*.

**142.**—(1) The securities register and the register of transfers shall be kept at the registered office of a corporation or at such other places in Ontario designated by the directors, and the branch register or registers of transfers may be kept at such offices of the corporation or other places, either within or outside Ontario, designated by the directors. R.S.O. 1970, c. 53, s. 160 (1); 1972, c. 138, s. 42 (1), *amended*. Where registers to be kept

(2) Registration of the transfer of a security or warrant of a corporation in the register of transfers or a branch register of transfers is a complete and valid registration for all purposes. Valid registration

Entry in  
branch  
transfer  
register

(3) In each branch register of transfers there shall be recorded only the particulars of the transfers of securities or warrants registered in that branch register of transfers.

Entry in  
register of  
transfers

(4) Particulars of every transfer of securities and warrants registered in every branch register of transfers shall be recorded in the register of transfers. R.S.O. 1970, c. 53, s. 160 (2-4).

Documents not  
required to be  
produced

(5) A corporation or a person appointed under section 141 is not required to produce,

- (a) any security certificate or warrant that is not in registered form; or
- (b) any security certificate or warrant that is in registered form after six years,
  - (i) in the case of a share certificate, from the date of its cancellation,
  - (ii) in the case of a warrant, from the date of its transfer or exercise, whichever occurs first, or
  - (iii) in the case of a certificate representing a debt obligation, from the date of cancellation of such certificate. 1972, c. 138, s. 42, *part, amended*.

Records open  
to examination  
by directors

**143.**—(1) The records mentioned in sections 139 and 140 shall, during normal business hours of a corporation, be open to examination by any director and shall, except as provided in sections 139 and 142 and in subsections 2 and 3 of this section, be kept at the registered office of the corporation.

Records of  
account at  
branch

(2) A corporation may keep at any place where it carries on business such parts of the accounting records as relate to the operations, business and assets and liabilities of the corporation carried on, supervised or accounted for at such place, but there shall be kept at the registered office of the corporation or such other place as is authorized under this section such records as will enable the directors to ascertain quarterly with reasonable accuracy the financial position of the corporation.

Order for  
removal of  
records

(3) Where a corporation,

- (a) shows, to the satisfaction of the Director, the necessity of keeping all or any of the records mentioned in subsection 1 at a place other than the registered office of the corporation; and

(b) gives the Director adequate assurance, by surety bond or otherwise, that such records will be open for examination,

(i) at the registered office or some other place in Ontario designated by the Director, and

(ii) by any person who is entitled to examine them and who has applied to the Director for such an examination,

the Director may, by order and upon such terms as he thinks fit, permit the corporation to keep all or any of them at such place or places, other than the registered office, as he thinks fit.

(4) The Director may by order upon such terms as he thinks fit rescind any order made under subsection 3 or any order made by the Lieutenant Governor in Council or the Minister under a predecessor of that subsection. R.S.O. 1970, c. 53, s. 161, *amended*. Rescission of orders made under subs. 3

**144.**—(1) Shareholders and creditors of a corporation, their agents and legal representatives may examine the records referred to in subsection 1 of section 139 during the usual business hours of the corporation, and may take extracts therefrom, free of charge, and, where the corporation is an offering corporation, any other person may do so upon payment of a reasonable fee. Examination of records by shareholders and creditors

(2) A shareholder of a corporation is entitled upon request and without charge to one copy of the articles and by-laws and of any unanimous shareholder agreement. R.S.O. 1970, c. 53, s. 162; 1972, c. 138, s. 42, *amended*. Copy

**145.**—(1) Shareholders and creditors of a corporation, their agents and legal representatives and, where the corporation is an offering corporation, any other person, upon payment of a reasonable fee and upon sending to the corporation or its transfer agent the statutory declaration referred to in subsection 6, may require the corporation or its transfer agent to furnish a basic list setting out the names of the shareholders of the corporation, the number of shares of each class and series owned by each shareholder and the address of each shareholder, all as shown on the records of the corporation. List of shareholders

(2) The basic list referred to in subsection 1 shall be furnished to the applicant as soon as is practicable and, when furnished, shall be as current as is practicable having regard to the form in which the securities register of the corporation is maintained, but, in any case, shall be furnished not more than ten days following the receipt by the corporation or its transfer agent of the statutory Idem

declaration referred to in subsection 1 and shall be made up to a date not more than ten days before the date on which it is actually furnished.

Supplemental  
lists

(3) A person requiring a corporation to supply a basic list may, if he states in the statutory declaration referred to in subsection 1 that he requires supplemental lists, require the corporation or its agent upon payment of a reasonable fee to furnish supplemental lists setting out any changes from the basic list in the names or addresses of the shareholders and the number of shares owned by each shareholder for each business day following the date to which the basic list is made up.

Idem

(4) The corporation or its agent shall furnish a supplemental list required under subsection 3,

- (a) on the date the basic list is furnished, where the information relates to changes that took place prior to that date; and
- (b) on the business day following the day to which the supplemental list relates, where the information relates to changes that take place on or after the date the basic list is furnished.

List of  
option holders

(5) A person requiring a corporation to supply a basic or supplemental list may also require the corporation to include in that list the name and address of any known holder of an option or right to acquire shares of the corporation.

Statutory  
declaration

(6) The statutory declaration required under subsection 1 shall state,

- (a) the name and address including street and number, if any, of the applicant and whether the applicant is a shareholder, creditor or any other person referred to in the subsection;
- (b) the name and address including street and number, if any, for service of the body corporate if the applicant is a body corporate; and
- (c) that the basic list and any supplemental lists shall be used only as permitted under subsection 8.

Idem

(7) If the applicant is a body corporate, the statutory declaration shall be made by a director or officer of the body corporate.

Use of list

(8) A list of shareholders obtained under this section shall not be used by any person except in connection with,

- (a) an effort to influence the voting by shareholders of the corporation;
- (b) an offer to acquire shares of the corporation; or
- (c) any other matter relating to the affairs of the corporation. 1972, c. 138, ss. 44, 45, *amended*.

**146.** No person shall offer for sale or sell or purchase or otherwise traffic in a list or a copy of a list of all or any of the holders of securities or warrants of a corporation. R.S.O. 1970, c. 53, s. 165; 1972, c. 138, s. 46, *amended*. Trafficking  
in lists

## PART XI

### AUDITORS AND FINANCIAL STATEMENTS

**147.**—(1) In respect of a financial year of a corporation, the corporation is exempt from the requirements of this Part regarding the appointment and duties of an auditor, Exemption  
from audit  
requirements

- (a) where,
  - (i) the corporation is not an offering corporation,
  - (ii) all of the shareholders of the corporation consent thereto in writing in respect of that year, and
  - (iii) the corporation has assets not exceeding \$2,500,000 or sales or gross operating revenues not exceeding \$5,000,000 as shown on the financial statement of the corporation for the preceding year; or
- (b) where the corporation has been exempted by the Director under subsection 2 in respect of that financial year.

(2) A corporation other than an offering corporation, all the shareholders of which consent thereto in writing, may apply to the Director for exemption from the requirements of this Part regarding the appointment and duties of an auditor in respect of a financial year, and after giving to the corporation and to such other persons whom he considers should be given the opportunity, an opportunity to be heard, the Director may, subject to such terms and conditions as he may impose, exempt the corporation and any of its affiliates from the audit requirements of this Part where in his opinion to do so would not be prejudicial to the public interest. Idem

(3) For the purposes of subclause iii of clause a of subsection 1, the assets or sales or gross operating revenues of a corporation Interpre-  
tation



include the assets or sales or gross operating revenues of each of its affiliates resident in Canada for the purposes of the *Income Tax Act* (Canada).

1970-71,  
c. 63 (Can.)

Auditors

**148.**—(1) The shareholders of a corporation at their first annual or special meeting shall appoint one or more auditors to hold office until the close of the first or next annual meeting, as the case may be, and, if the shareholders fail to do so, the directors shall forthwith make such appointment or appointments.

Idem

(2) The shareholders shall at each annual meeting appoint one or more auditors to hold office until the close of the next annual meeting and, if an appointment is not so made, the auditor in office continues in office until a successor is appointed.

Casual  
vacancy

(3) The directors may fill any casual vacancy in the office of auditor, but, while such vacancy continues, the surviving or continuing auditor, if any, may act.

Removal of  
auditor

(4) The shareholders may, except where the auditor has been appointed by order of the court under subsection 8, by resolution passed by a majority of the votes cast at a special meeting duly called for the purpose, remove an auditor before the expiration of his term of office, and shall by a majority of the votes cast at that meeting appoint another auditor in his stead for the remainder of his term.

Notice to  
auditor

(5) Before calling a special meeting for the purpose specified in subsection 4 or an annual or special meeting where the board is not recommending the reappointment of the incumbent auditor, the corporation shall, fifteen days or more before the mailing of the notice of the meeting, give to the auditor,

(a) written notice of the intention to call the meeting, specifying therein the date on which the notice of the meeting is proposed to be mailed; and

(b) a copy of all material proposed to be sent to shareholders in connection with the meeting.

Right of  
auditor to  
make  
representations

(6) An auditor has the right to make to the corporation, three days or more before the mailing of the notice of the meeting, representations in writing, concerning,

(a) his proposed removal as auditor;

(b) the appointment or election of another person to fill the office of auditor; or

(c) his resignation as auditor,

and the corporation, at its expense, shall forward with the notice of the meeting a copy of such representations to each shareholder entitled to receive notice of the meeting.

(7) The remuneration of an auditor appointed by the shareholders shall be fixed by the shareholders, or by the directors if they are authorized so to do by the shareholders, and the remuneration of an auditor appointed by the directors shall be fixed by the directors. Remuneration

(8) If a corporation does not have an auditor, the court may, upon the application of a shareholder or the Director, appoint and fix the remuneration of an auditor to hold office until an auditor is appointed by the shareholders. Appointment by court

(9) The corporation shall give notice in writing to an auditor of his appointment forthwith after the appointment is made. Notice of appointment  
R.S.O. 1970, c. 53, s. 168; 1972, c. 138, s. 47, *amended*.

**149.**—(1) The auditor of a corporation is entitled to receive notice of every meeting of shareholders and, at the expense of the corporation, to attend and be heard thereat on matters relating to his duties as auditor. Auditor may attend shareholders' meetings

(2) If any director or shareholder of a corporation, whether or not the shareholder is entitled to vote at the meeting, gives written notice, not less than five days or more before a meeting of shareholders, to the auditor or a former auditor of the corporation, the auditor or former auditor shall attend the meeting at the expense of the corporation and answer questions relating to his duties as auditor. Auditor's attendance may be required

(3) A director or shareholder who sends a notice referred to in subsection 2 shall send concurrently a copy of the notice to the corporation. Notice to corporation

(4) No person shall accept appointment or consent to be appointed as auditor of a corporation if he is replacing an auditor who has resigned, been removed or whose term of office has expired or is about to expire until he has requested and received from that auditor a written statement of the circumstances and the reasons why, in that auditor's opinion, he is to be replaced. Replacing auditor

(5) Notwithstanding subsection 4, a person otherwise qualified may accept appointment or consent to be appointed as auditor of a corporation if, within fifteen days after making the request referred to in that subsection, he does not receive a reply. Idem

(6) Any interested person may apply to the court for an order declaring an auditor to be disqualified and the office of auditor to Idem

be vacant if the auditor has not complied with subsection 4, unless subsection 5 applies with respect to the appointment of the auditor.

Statement by  
auditor  
privileged

(7) Any oral or written statement or report made under this Act by the auditor or former auditor of the corporation has qualified privilege. R.S.O. 1970, c. 53, s. 171; 1972, c. 138, s. 48, *amended*.

Disqualification  
as auditor

**150.**—(1) Subject to subsection 5, a person is disqualified from being an auditor of a corporation if he is not independent of the corporation, all of its affiliates, or of the directors or officers of the corporation and its affiliates.

Independence

(2) For the purposes of this section,

(a) independence is a question of fact; and

(b) a person is deemed not to be independent if he or his business partner,

(i) is a business partner, director, officer or employee of the corporation or any of its affiliates, or a business partner of any director, officer or employee of the corporation or any of its affiliates,

(ii) beneficially owns directly or indirectly or exercises control or direction over a material interest in the securities of the corporation or any of its affiliates, or

(iii) has been a receiver, receiver and manager, liquidator or trustee in bankruptcy of the corporation or any of its affiliates within two years of his proposed appointment as auditor of the corporation.

Resignation by  
auditor

(3) An auditor who becomes disqualified under this section shall, subject to subsection 5, resign forthwith upon becoming aware of his disqualification.

Application to  
court

(4) An interested person may apply to the court for an order declaring an auditor to be disqualified under this section and the office of auditor to be vacant.

Idem

(5) An interested person may apply to the court for an order exempting an auditor from disqualification under this section and the court may, if it is satisfied that an exemption would not unfairly prejudice the shareholders, make an exemption order on



such terms as it thinks fit, which order may have retrospective effect. R.S.O. 1970, c. 53, s. 170, *amended*.

**151.**—(1) An auditor of a corporation shall make such examination of the financial statements required by this Act to be placed before shareholders as is necessary to enable him to report thereon and he shall report as prescribed and in accordance with generally accepted auditing standards. Examination  
by auditor

(2) A director or an officer of a corporation shall forthwith notify the audit committee and the auditor or the former auditor of any error or misstatement of which he becomes aware in a financial statement that the auditor or the former auditor has reported upon if the error or misstatement in all the circumstances appears to be significant. Reporting error

(3) If the auditor or former auditor of a corporation is notified or becomes aware of an error or misstatement in a financial statement upon which he has reported, and if in his opinion the error or misstatement is material, he shall inform each director accordingly. Idem

(4) When under subsection 3 the auditor or former auditor informs the directors of an error or misstatement in a financial statement, the directors shall within a reasonable time, Amendment of  
auditor's report

- (a) prepare and issue revised financial statements; or
- (b) otherwise inform the shareholders.

(5) Upon the demand of an auditor of a corporation, the present or former directors, officers, employees or agents of the corporation shall furnish such, Right of access

- (a) information and explanations; and
- (b) access to records, documents, books, accounts and vouchers of the corporation or any of its subsidiaries,

as are, in the opinion of the auditor, necessary to enable him to make the examination and report required under this section and that the directors, officers, employees or agents are reasonably able to furnish.

(6) Upon the demand of the auditor of a corporation, the directors of the corporation shall, Furnishing  
information

- (a) obtain from the present or former directors, officers, employees and agents of any subsidiary of the corporation the information and explanations that the present or

former directors, officers, employees and agents are reasonably able to furnish and that are, in the opinion of the auditor, necessary to enable him to make the examination and report required under this section; and

- (b) furnish the information and explanations so obtained to the auditor.

Idem

(7) Any oral or written communication under this section between the auditor or former auditor of a corporation and its present or former directors, officers, employees or agents or those of any subsidiary of the corporation, has qualified privilege. R.S.O. 1970, c. 53, s. 171; 1972, c. 138, s. 48, *amended*.

Information to  
be laid before  
annual meeting

**152.**—(1) The directors shall place before each annual meeting of shareholders,

- (a) in the case of a corporation that is not an offering corporation, financial statements for the period that began on the date the corporation came into existence and ended not more than six months before the annual meeting or, if the corporation has completed a financial year, the period that began immediately after the end of the last completed financial year and ended not more than six months before the annual meeting;

1978, c. 47

- (b) in the case of a corporation that is an offering corporation, the financial statements required to be filed under *The Securities Act, 1978* and the regulations thereunder relating separately to,

- (i) the period that began on the date the corporation came into existence and ended not more than six months before the annual meeting or, if the corporation has completed a financial year, the period that began immediately after the end of the last completed financial year and ended not more than six months before the annual meeting, and

- (ii) the immediately preceding financial year if any;

- (c) the report of the auditor, if any, to the shareholders; and

- (d) any further information respecting the financial position of the corporation and the results of its operations required by the articles, the by-laws or any unanimous shareholder agreement.

Auditor's  
report

(2) Except as provided in subsection 1 of section 103, the report of the auditor to the shareholders shall be open to inspection at the annual meeting by any shareholder.

(3) A corporation shall, not less than twenty-one days, in the case of an offering corporation, and ten days, in the case of a corporation that is not an offering corporation, before each annual meeting of shareholders or before the signing of a resolution under clause *b* of subsection 1 of section 103 in lieu of the annual meeting, send a copy of the documents referred to in this section to each shareholder, except to a shareholder who has informed the corporation in writing that he does not wish to receive a copy of those documents. R.S.O. 1970, c. 53, s. 172; 1972, c. 138, s. 49; 1978, c. 49, s. 7, *amended*.

Copy of documents to shareholders

**153.** The financial statements required under this Act shall be prepared as prescribed by regulation and in accordance with generally accepted accounting principles. *New*.

Preparation of financial statements

**154.** An offering corporation shall prepare and file with the Commission the financial statements required under Part XVII of *The Securities Act*, 1978.

Filing by offering corporation  
1978, c. 47

**155.**—(1) True copies of the latest financial statements of each subsidiary of a holding corporation shall be kept on hand by the holding corporation at its registered office and shall be open to examination by the shareholders of the holding corporation and their agents and legal representatives who may make extracts therefrom free of charge on request during the normal business hours of the holding corporation.

Financial statements of subsidiaries

(2) A corporation may, within fifteen days after a request to examine under subsection 1, apply to the court for an order barring the right of any person to so examine, and the court may, if satisfied that such examination would be detrimental to the corporation or a subsidiary body corporate, bar such right and make any further order it thinks fit. R.S.O. 1970, c. 53, s. 179 (3), *amended*.

Application to court

**156.**—(1) A corporation that is an offering corporation shall, and any other corporation may, have an audit committee composed of not fewer than three directors of the corporation, a majority of whom are not officers or employees of the corporation or any of its affiliates, to hold office until the next annual meeting of the shareholders.

Audit committee

(2) An audit committee shall review the financial statements of the corporation and shall report thereon to the board of directors of the corporation before such financial statements are approved under section 157.

Idem

(3) The auditor of a corporation is entitled to receive notice of every meeting of the audit committee and, at the expense of the corporation, to attend and be heard thereat, and, if so requested

Auditor may attend committee meetings

by a member of the audit committee, shall attend every meeting of the committee held during the term of office of the auditor.

Calling  
meetings of  
committee

(4) The auditor of a corporation or a member of the audit committee may call a meeting of the committee.

Right of  
auditor to be  
heard

(5) The auditor of a corporation shall be entitled to attend at the expense of the corporation and be heard at meetings of the board of directors of the corporation on matters relating to his duties as auditor. R.S.O. 1970, c. 53, s. 182; 1972, c. 138, s. 53, *amended*.

Approval by  
directors

**157.**—(1) The financial statements shall be approved by the board of directors and the approval shall be evidenced by the signature at the foot of the balance sheet by two of the directors duly authorized to sign or by the director where there is only one, and the auditor's report, unless the corporation is exempt under section 147, shall be attached to or accompany the financial statements. R.S.O. 1970, c. 53, s. 183; 1972, c. 138, s. 53.

Publishing,  
etc., copies of  
financial  
statements

(2) A corporation shall not issue, publish or circulate copies of the financial statements referred to in section 152 unless the financial statements are,

(a) approved and signed in accordance with subsection 1; and

(b) accompanied by the report of the auditor of the corporation, if any. *New*.

Interim  
financial  
statement  
1978, c. 47

**158.**—(1) An offering corporation shall send to each shareholder a copy of an interim financial statement required to be filed under *The Securities Act, 1978* and the regulations thereunder.

Idem

(2) The interim financial statement required by subsection 1 shall be sent to each shareholder, within sixty days of the date to which it is made up, at his latest address as shown on the records of the corporation. 1978, c. 49, s. 12, *part*.

## PART XII

### INVESTIGATION

Investigation

**159.**—(1) A security holder of a corporation and, in the case of an offering corporation, the Commission may apply, *ex parte* or upon such notice as the court may require, to the court for an order directing an investigation to be made of the corporation and any of its affiliates.

(2) Where, upon an application under subsection 1, it appears Idem to the court that,

- (a) the business of the corporation or any of its affiliates is or has been carried on with intent to defraud any person;
- (b) the business or affairs of the corporation or any of its affiliates are or have been carried on or conducted, or the powers of the directors are or have been exercised, in a manner that is oppressive or unfairly prejudicial to, or that unfairly disregards, the interests of a security holder;
- (c) the corporation or any of its affiliates was formed for a fraudulent or unlawful purpose or is to be dissolved for a fraudulent or unlawful purpose; or
- (d) persons concerned with the formation, business or affairs of the corporation or any of its affiliates have in connection therewith acted fraudulently or dishonestly,

the court may order an investigation to be made of the corporation and any of its affiliates.

(3) Where a security holder makes an application under subsection 1, he shall give the Director and, if the corporation is an offering corporation, the Commission, reasonable notice thereof and the Director and, if the corporation is an offering corporation, the Commission are entitled to appear and be heard in person or by counsel. Notice

(4) An applicant under this section is not required to give security for costs. Security for costs not required

(5) An *ex parte* application under this section shall be heard *in camera*. Ex parte application

(6) No person may publish anything relating to *ex parte* proceedings under this section except with the authorization of the court or the written consent of the corporation being investigated. No publication without consent R.S.O. 1970, c. 58, s. 186, *part, amended*.

**160.**—(1) In connection with an investigation under this Part, the court may make any order it thinks fit including, without limiting the generality of the foregoing, Matters that may be covered by court order

- (a) an order to investigate;
- (b) an order appointing and fixing the remuneration of an inspector or replacing an inspector;



- (c) an order determining the notice to be given to any interested person, or dispensing with notice to any person;
- (d) an order authorizing an inspector to enter any premises in which the court is satisfied there might be relevant information, and to examine any thing and make copies of any document or record found on the premises;
- (e) an order requiring any person to produce documents or records to the inspector;
- (f) an order authorizing an inspector to conduct a hearing, administer oaths and examine any person upon oath, and prescribing rules for the conduct of the hearing;
- (g) an order requiring any person to attend a hearing conducted by an inspector and to give evidence upon oath;
- (h) an order giving directions to an inspector or any interested person on any matter arising in the investigation;
- (i) an order requiring an inspector to make an interim or final report to the court;
- (j) an order determining whether a report of an inspector should be made available for public inspection and ordering that copies be sent to any person the court designates;
- (k) an order requiring an inspector to discontinue an investigation;
- (l) an order requiring the corporation to pay the costs of the investigation.

Inspector's  
report

(2) An inspector shall send to the Director and, where an offering corporation is involved, the Commission, a copy of every report made by the inspector under this Part which, subject to clause *j* of subsection 1, shall be placed on the corporation file for public inspection. R.S.O. 1970, c. 53, s. 186, *part*; 1971, c. 26, s. 31, *amended*.

Powers of  
inspector

**161.**—(1) An inspector under this Part has the powers set out in the order appointing him.

Idem

(2) In addition to the powers set out in the order appointing him, an inspector appointed to investigate a corporation may furnish to, or exchange information and otherwise co-operate

with, any public official in Canada or elsewhere who is authorized to exercise investigatory powers and who is investigating, in respect of the corporation, any allegation of improper conduct that is the same as, or similar to, the conduct described in subsection 2 of section 159.

(3) An inspector shall produce upon request to an interested person a copy of any order made under subsection 1 of section 160. R.S.O. 1970, c. 53, s. 186 (1), *amended*. Production of order

**162.**—(1) A hearing conducted by an inspector under this Part shall be heard *in camera*. Hearing

(2) Any interested person may apply to the court for an order that a hearing conducted under this Part not be heard *in camera* and for directions on any matter arising in the investigation. Idem

(3) A person whose conduct is being investigated or who is being examined at a hearing conducted by an inspector under this Part has a right to be represented by counsel. *New*. Right to counsel

**163.**—(1) Any oral or written statement or report made by an inspector or any other person in an investigation under this Part has absolute privilege. Privileged statements

(2) No person is excused from attending and giving evidence and producing documents and records to an inspector under this Part by reason only that the evidence tends to criminate him or subject him to any proceeding or penalty, but no such evidence shall be used or is receivable against him in any proceeding thereafter instituted against him. *New*. Giving evidence

**164.** Nothing in this Part shall be construed to affect the privilege that exists in respect of communications between a solicitor and his client. *New*. Solicitor-client privilege

**165.** The Director may make inquiries of any person relating to compliance with this Act. *New*. Inquiries by Director

## PART XIII

### FUNDAMENTAL CHANGES

**166.**—(1) Subject to sections 168 and 169, a corporation may from time to time amend its articles to add, change or remove any provision that is permitted by this Act to be, or that is, set out in its Amendments

articles, including without limiting the generality of the foregoing, to,

- (a) change its name;
- (b) change the municipality or geographic township in which its registered office is located;
- (c) add, change or remove any restriction upon the business or businesses that the corporation may carry on or upon the powers that the corporation may exercise;
- (d) add, change or remove any maximum number of shares that the corporation is authorized to issue or any maximum consideration for which any shares of the corporation are authorized to be issued;
- (e) create new classes of shares;
- (f) increase or reduce its stated capital which, for the purposes of the amendment, is deemed to be set out in the articles;
- (g) change the designation of all or any of its shares, and add, change or remove any rights, privileges, restrictions and conditions, including rights to accrued dividends, in respect of all or any of its shares, whether issued or unissued;
- (h) change the shares of any class or series, whether issued or unissued, into a different number of shares of the same class or series or into the same or a different number of shares of other classes or series;
- (i) divide a class of shares, whether issued or unissued, into series and fix the number of shares in each series and the rights, privileges, restrictions and conditions thereof;
- (j) authorize the directors to divide any class of unissued shares into series and fix the number of shares in each series and the rights, privileges, restrictions and conditions thereof;
- (k) authorize the directors to change the rights, privileges, restrictions and conditions attached to unissued shares of any series;
- (l) revoke, diminish or enlarge any authority conferred under clauses *j* and *k*;



(*m*) subject to sections 119 and 124, increase or decrease the number, or minimum or maximum number, of directors; and

(*n*) add, change or remove restrictions on the issue or transfer of shares of any class or series.

(2) The directors of a corporation may, if so authorized by a special resolution effecting an amendment under this section, revoke the resolution without further approval of the shareholders at any time prior to the endorsement by the Director of a certificate of amendment of articles in respect of such amendment. Revocation of resolution

(3) Notwithstanding subsection 1, where a corporation has a number name, the directors may amend its articles to change that name to a name that is not a number name. Change of number name

(4) An amendment under subsection 1 shall be authorized by a special resolution and an amendment under subsection 3 may be authorized by a resolution of the directors. Authorization

(5) This section does not apply to a corporation incorporated by special Act, except that a corporation incorporated by special Act, including a corporation to which *The Railways Act*, being chapter 331 of the Revised Statutes of Ontario, 1950, applies, may under this section amend its articles to change its name. R.S.O. 1970, c. 53, s. 189; 1971, c. 26, s. 32, *amended*. Special Act corporations excepted

**167.**—(1) The directors or any shareholder who is entitled to vote at an annual meeting of shareholders may, in accordance with section 98, make a proposal to amend the articles. Proposal to amend articles

(2) Notice of a meeting of shareholders at which a proposal to amend the articles is to be considered shall set out the proposed amendment and, where applicable, shall state that a dissenting shareholder is entitled to be paid the fair value of his shares in accordance with section 183, but failure to make that statement does not invalidate an amendment. *New*. Idem

**168.**—(1) The holders of shares of a class or, subject to subsection 2, of a series are, unless the articles otherwise provide in the case of an amendment referred to in clause *a*, *b* or *e*, entitled to vote separately as a class or series upon a proposal to amend the articles to, Authorization for variation of rights of special shareholders

(*a*) increase or decrease any maximum number of authorized shares of such class or series, or increase any maximum number of authorized shares of a class or

- series having rights or privileges equal or superior to the shares of such class or series;
- (b) effect an exchange, reclassification or cancellation of the shares of such class or series;
  - (c) add to, remove or change the rights, privileges, restrictions or conditions attached to the shares of such class or series and, without limiting the generality of the foregoing,
    - (i) remove or change prejudicially rights to accrued dividends or rights to cumulative dividends,
    - (ii) add, remove or change prejudicially redemption rights or sinking fund provisions,
    - (iii) reduce or remove a dividend preference or a liquidation preference, or
    - (iv) add, remove or change prejudicially conversion privileges, options, voting, transfer or pre-emptive rights, or rights to acquire securities of a corporation;
  - (d) add to the rights or privileges of any class or series of shares having rights or privileges equal or superior to the shares of such class or series;
  - (e) create a new class or series of shares equal or superior to the shares of such class or series;
  - (f) make any class or series of shares having rights or privileges inferior to the shares of such class or series equal or superior to the shares of such class or series;
  - (g) effect an exchange or create a right of exchange of the shares of another class or series into the shares of such class or series; or
  - (h) add, remove or change restrictions on the transfer of such class or series.

Idem

(2) The holders of a series of shares of a class are entitled to vote separately as a series under subsection 1 only if such series is affected by an amendment in a manner different from other shares of the same class.

(3) Subsection 1 applies whether or not shares of a class or series otherwise carry the right to vote. Idem

(4) A proposed amendment to the articles referred to in subsection 1 is adopted when the shareholders have approved the amendment by a special resolution of the holders of the shares of each class or series entitled to vote thereon. R.S.O. 1970, c. 53, s. 189 (4), *amended*. Idem

**169.**—(1) Subject to any revocation under subsection 2 of section 166, after an amendment has been adopted under section 166 or 168, articles of amendment in prescribed form shall be sent to the Director. Articles of amendment sent to Director

(2) If an amendment effects or requires a reduction of stated capital, subsections 4 and 5 of section 34 apply. Application of s. 34 (4, 5)

(3) No corporation shall change its name if, Change of name

(a) the corporation is unable to pay its liabilities as they become due; or

(b) the realizable value of the corporation's assets is less than the aggregate of its liabilities,

unless it shall have satisfied the Director that such change of name would not be prejudicial to the public interest. 1979, c. 36, s. 12, *amended*.

**170.** Upon receipt of articles of amendment, the Director shall endorse thereon in accordance with section 271 a certificate of amendment. 1979, c. 36, s. 13, *amended*. Certificate of amendment

**171.**—(1) The directors may at any time restate the articles of incorporation as amended. Restated articles of incorporation

(2) Restated articles of incorporation in prescribed form shall be sent to the Director. Idem

(3) Upon receipt of restated articles of incorporation, the Director shall endorse thereon in accordance with section 271 a certificate which shall constitute the restated certificate of incorporation. Restated certificate of incorporation

- Idem (4) Restated articles of incorporation supersede the original articles of incorporation and all amendments thereto. 1979, c. 36, s. 14, *amended*.
- Amalgamation **172.** Two or more corporations, including holding or subsidiary corporations, may amalgamate and continue as one corporation. R.S.O. 1970, c. 53, s. 196 (1).
- Amalgamation agreement **173.**—(1) Where corporations propose to amalgamate, each such corporation shall enter into an agreement setting out the terms and means of effecting the amalgamation and, in particular, setting out,
- (a) the provisions that are required to be included in articles of incorporation under section 5;
  - (b) subject to subsection 2, the basis upon which and manner in which the holders of the issued shares of each amalgamating corporation are to receive,
    - (i) securities of the amalgamated corporation,
    - (ii) money, or
    - (iii) securities of any body corporate other than the amalgamated corporation,
 in the amalgamation;
  - (c) the manner of payment of money instead of the issue of fractional shares of the amalgamated corporation or of any other body corporate the securities of which are to be received in the amalgamation;
  - (d) whether the by-laws of the amalgamated corporation are to be those of one of the amalgamating corporations and the address where a copy of the proposed by-laws may be examined; and
  - (e) such other details as may be necessary to perfect the amalgamation and to provide for the subsequent management and operation of the amalgamated corporation. R.S.O. 1970, c. 53, s. 196 (2); 1971, c. 26, s. 34, *amended*.
- Shares of amalgamating corporation held by another (2) Where shares of one of the amalgamating corporations are held by or on behalf of another of the amalgamating corporations, the amalgamation agreement shall provide for the cancellation of such shares upon the amalgamation becoming effective without any repayment of capital in respect thereof, and no provision shall be made in the agreement for the conversion of such shares into

shares of the amalgamated corporation. R.S.O. 1970, c. 53, s. 196 (3).

**174.**—(1) The directors of each amalgamating corporation shall submit the amalgamation agreement for approval at a meeting of the shareholders of the amalgamating corporation of which they are directors and, subject to subsection 3, of the holders of shares of each class or series entitled to vote thereon.

Submission of  
amalgamation  
agreement

(2) The notice of the meeting of shareholders of each amalgamating corporation shall include or be accompanied by,

Notice of  
meeting

(a) a copy or summary of the amalgamation agreement; and

(b) a statement that a dissenting shareholder is entitled to be paid the fair value of his shares in accordance with section 183, but failure to make that statement does not invalidate an amalgamation.

(3) The holders of a class or series of shares of an amalgamating corporation, whether or not they are otherwise entitled to vote, are entitled to vote separately as a class or series in respect of an amalgamation if the amalgamation agreement contains a provision that, if contained in a proposed amendment to the articles, would entitle such holders to vote separately as a class or series under section 168.

Voting by  
class, etc.

(4) An amalgamation agreement is adopted when the shareholders of each amalgamating corporation have approved of the amalgamation by a special resolution of the holders of the shares of each class or series entitled to vote thereon.

Adoption of  
amalgamation  
agreement

(5) An amalgamation agreement may provide that at any time before the endorsement of a certificate of amalgamation the agreement may be terminated by the directors of an amalgamating corporation, notwithstanding approval of the agreement by the shareholders of all or any of the amalgamating corporations.  
*New.*

Termination  
of  
agreement

**175.**—(1) A holding corporation and one or more of its wholly-owned subsidiary corporations may amalgamate and continue as one corporation without complying with sections 173 and 174 if,

Amalgamation  
of holding  
corporation  
and its  
subsidiary

(a) the amalgamation is approved by a resolution of the directors of each amalgamating corporation; and

(b) the resolutions provide that,

(i) the shares of each amalgamating subsidiary corporation shall be cancelled without any repayment of capital in respect thereof,



(ii) except as may be prescribed, the articles of amalgamation shall be the same as the articles of incorporation of the amalgamating holding corporation, and

(iii) no securities shall be issued and no assets shall be distributed by the amalgamated corporation in connection with the amalgamation.

Amalgamation  
of  
subsidiaries

(2) Two or more wholly-owned subsidiary corporations of the same holding body corporate may amalgamate and continue as one corporation without complying with sections 173 and 174 if,

(a) the amalgamation is approved by a resolution of the directors of each amalgamating corporation; and

(b) the resolutions provide that,

(i) the shares of all but one of the amalgamating subsidiary corporations shall be cancelled without any repayment of capital in respect thereof,

(ii) except as may be prescribed, the articles of amalgamation shall be the same as the articles of incorporation of the amalgamating subsidiary corporation whose shares are not cancelled, and

(iii) the stated capital of the amalgamating subsidiary corporations whose shares are cancelled shall be added to the stated capital of the amalgamating subsidiary corporation whose shares are not cancelled. *New.*

Articles of  
amalgamation  
to be sent to  
Director

**176.**—(1) Subject to subsection 5 of section 174, after an amalgamation has been adopted under section 174 or approved under section 175, articles of amalgamation in prescribed form shall be sent to the Director.

Director's  
statement

(2) The articles of amalgamation shall have attached thereto a statement of a director or an officer of each amalgamating corporation stating that,

(a) there are reasonable grounds for believing that,

(i) each amalgamating corporation is and the amalgamated corporation will be able to pay its liabilities as they become due, and

- (ii) the realizable value of the amalgamated corporation's assets will not be less than the aggregate of its liabilities and stated capital of all classes;
- (b) there are reasonable grounds for believing that,
- (i) no creditor will be prejudiced by the amalgamation, or
  - (ii) adequate notice has been given to all known creditors of the amalgamating corporations;
- (c) the grounds upon which the objections of all creditors who have notified the corporation that they object to the amalgamation, setting forth with reasonable particularity the grounds for such objections, are either frivolous or vexatious; and
- (d) the corporation has given notice to each person who has, in the manner referred to in clause *c*, notified the corporation of his objection to the amalgamation, that,
- (i) the grounds upon which his objection is based are considered to be frivolous or vexatious, and
  - (ii) a creditor of a corporation who objects to an amalgamation has the status of a complainant under section 246.

(3) For the purposes of subsection 2, adequate notice is given if, <sup>Notice</sup>

- (a) a notice in writing is sent to each known creditor having a claim against the corporation that exceeds \$2,500, at the last address of the creditor known to the corporation;
- (b) a notice is published once in a newspaper published or distributed in the place where the corporation has its registered office; and
- (c) each notice states that the corporation intends to amalgamate with one or more specified corporations in accordance with this Act unless a creditor of the corporation objects to the amalgamation within thirty days from the date of the notice.

(4) Upon receipt of articles of amalgamation, the Director shall <sup>Certificate of amalgamation</sup> endorse thereon in accordance with section 271 a certificate which

shall constitute the certificate of amalgamation. 1979, c. 36, s. 16, *part, amended*.

Effect of  
certificate

**177.** Upon the articles of amalgamation becoming effective,

- (a) the amalgamating corporations are amalgamated and continue as one corporation under the terms and conditions prescribed in the amalgamation agreement;
- (b) the amalgamated corporation possesses all the property, rights, privileges and franchises and is subject to all liabilities, including civil, criminal and quasi-criminal, and all contracts, disabilities and debts of each of the amalgamating corporations;
- (c) a conviction against, or ruling, order or judgment in favour or against an amalgamating corporation may be enforced by or against the amalgamated corporation;
- (d) the articles of amalgamation are deemed to be the articles of incorporation of the amalgamated corporation and, except for the purposes of subsection 1 of section 116, the certificate of amalgamation is deemed to be the certificate of incorporation of the amalgamated corporation;
- (e) the amalgamated corporation shall be deemed to be the party plaintiff or the party defendant, as the case may be, in any civil action commenced by or against an amalgamating corporation before the amalgamation has become effective. 1979, c. 36, s. 16, *part, amended*.

Articles of  
continuance

**178.—(1)** A body corporate incorporated under the laws of any jurisdiction other than Ontario may, if it appears to the Director to be thereunto authorized by the laws of the jurisdiction in which it was incorporated, apply to the Director for a certificate of continuance. 1972, c. 138, s. 55, *part*; 1979, c. 36, s. 17, *part, amended*.

Idem

(2) Articles of continuance in prescribed form shall be sent to the Director together with any other prescribed documents.

Amendments  
to original  
articles

(3) The articles of continuance shall make any amendments to the original or restated articles of incorporation, articles of amalgamation, letters patent, supplementary letters patent, a special Act and any other instrument by which the body corporate was incorporated and any amendments thereto necessary to make the



articles of continuance conform to the laws of Ontario, and may make such other amendments as would be permitted under this Act if the body corporate were incorporated under the laws of Ontario, provided that at least the same shareholder approval has been obtained for such other amendments as would have been required under this Part if the body corporate were incorporated under the laws of Ontario. 1972, c. 138, s. 55, *part, amended*.

(4) Upon receipt of articles of continuance and any other prescribed documents, the Director may, on such terms and subject to such limitations and conditions as he considers proper, endorse thereon in accordance with section 271 a certificate which shall constitute the certificate of continuance.

Endorsement  
of certificate  
of continuance

- (5) Upon the articles of continuance becoming effective,
- (a) the body corporate becomes a corporation to which this Act applies as if it had been incorporated under this Act;
  - (b) the articles of continuance are deemed to be the articles of incorporation of the continued corporation; and
  - (c) except for the purposes of subsection 1 of section 116, the certificate of continuance is deemed to be the certificate of incorporation of the continued corporation.

Effect of  
certificate

(6) The Director shall send a copy of the certificate of continuance to the appropriate official or public body in the jurisdiction in which continuance under the Act was authorized. 1979, c. 53, s. 17, *part, amended*.

Copy of certificate of  
continuance

(7) When a body corporate is continued as a corporation under this Act,

Rights,  
liabilities, etc.,  
preserved

- (a) the corporation possesses all the property, rights, privileges and franchises and is subject to all the liabilities, including civil, criminal and quasi-criminal, and all contracts, disabilities and debts of the body corporate;
- (b) a conviction against, or ruling, order or judgment in favour of or against, the body corporate may be enforced by or against the corporation; and
- (c) the corporation shall be deemed to be the party plaintiff or the party defendant, as the case may be, in any civil action commenced by or against the body corporate. R.S.O. 1970, c. 53, s. 200, *amended*.

Shares issued before body corporate continued under this Act

(8) Subject to subsection 3 of section 55, a share of a body corporate issued before the body corporate was continued under this Act is deemed to have been issued in compliance with this Act and with the provisions of the articles of continuance, irrespective of whether the share is fully paid and of any designation, rights, privileges, restrictions or conditions set out on or referred to in the certificate representing the share, and continuance under this section does not deprive a holder of any right or privilege that he claims under, or relieve him of any liability in respect of, an issued share. *New.*

Transfer of Ontario corporations

**179.**—(1) Subject to subsection 9, a corporation may, if it is authorized by the shareholders and the Director in accordance with this section, apply to the appropriate official or public body of another jurisdiction requesting that the corporation be continued as if it had been incorporated under the laws of that other jurisdiction.

Notice to shareholders

(2) The notice of the meeting of shareholders shall include or be accompanied by a statement that a dissenting shareholder is entitled to be paid the fair value of his shares in accordance with section 183, but failure to make that statement does not invalidate an authorization under clause *a* of subsection 3.

Application for continuance

(3) An application for continuance becomes authorized,

(a) by the shareholders when the shareholders voting thereon have approved of the continuance by a special resolution; and

(b) by the Director when, following receipt from the corporation of an application in prescribed form, he endorses an authorization on the application.

Authorization by Director

(4) The Director may endorse the authorization if he is satisfied that the application is not prohibited by subsection 9.

Abandoning application

(5) The directors of a corporation may, if authorized by the shareholders, abandon an application without further approval of the shareholders.

Time limit to Director's authorization

(6) The authorization of the Director for an application for continuance expires ninety days after the date of endorsement of the authorization unless, within the ninety day period, the corporation is continued under the laws of the other jurisdiction.

Filing instrument of issuance

(7) The corporation shall file with the Director a copy of the instrument of continuance issued to it by the other jurisdiction within sixty days after the date of issuance.

(8) This Act ceases to apply to the corporation on the date upon which the corporation is continued under the laws of the other jurisdiction. Effective date

(9) A corporation shall not apply under subsection 1 to be continued as a body corporate under the laws of another jurisdiction unless those laws provide in effect that, Continuance in outside jurisdiction

- (a) the property of the corporation continues to be the property of the body corporate;
- (b) the body corporate continues to be liable for the obligations of the corporation;
- (c) an existing cause of action, claim or liability to prosecution is unaffected;
- (d) a civil, criminal or administrative action or proceeding pending by or against the corporation may be continued to be prosecuted by or against the body corporate; and
- (e) a conviction against the corporation may be enforced against the body corporate or a ruling, order or judgment in favour of or against the corporation may be enforced by or against the body corporate. 1971, c. 26, s. 37; 1972, c. 138, s. 56, *amended*.

**180.**—(1) In this section, “arrangement”, with respect to a corporation, includes, Arrangement

- (a) a reorganization of the shares of any class or series of the corporation or of the stated capital of any such class or series;
- (b) the addition to or removal from the articles of the corporation of any provision that is permitted by this Act to be, or that is, set out in the articles or the change of any such provision;
- (c) an amalgamation of the corporation with another corporation;
- (d) an amalgamation of a body corporate with a corporation that results in an amalgamated corporation subject to this Act;
- (e) a transfer of all or substantially all the property of the corporation to another body corporate in exchange for securities, money or other property of the body corporate;

- 1978, c. 47
- (f) an exchange of securities of the corporation held by security holders for other securities, money or other property of the corporation or securities, money or other property of another body corporate that is not a take-over bid as defined in Part XIX of *The Securities Act, 1978*;
  - (g) a liquidation or dissolution of the corporation;
  - (h) any other reorganization or scheme involving the business or affairs of the corporation or of any or all of the holders of its securities or of any options or rights to acquire any of its securities that is, at law, an arrangement; and
  - (i) any combination of the foregoing. R.S.O. 1970, c. 53, s. 193 (1), *amended*.

Scheme of arrangement

(2) A corporation proposing an arrangement shall prepare, for the approval of the shareholders, a statement thereof setting out in detail what is proposed to be done and the manner in which it is proposed to be done.

Adoption of arrangement

(3) Subject to any order of the court made under subsection 5, where an arrangement has been approved by shareholders of a corporation and by holders of shares of each class or series entitled to vote separately thereon, in each case by special resolution, the arrangement shall have been adopted by the shareholders of the corporation and the corporation may apply to the court for an order approving the arrangement.

Separate votes

(4) The holders of shares of a class or series of shares of a corporation are not entitled to vote separately as a class or series in respect of an arrangement unless the statement of the arrangement referred to in subsection 2 contains a provision that, if contained in a proposed amendment to the articles, would entitle such holders to vote separately as a class or series under section 168 and, if the statement of the arrangement contains such a provision, such holders are entitled to vote separately on the arrangement whether or not such shares otherwise carry the right to vote.

Application to court

(5) The corporation may, at any time, apply to the court for advice and directions in connection with an arrangement or proposed arrangement and the court may make such order as it considers appropriate, including, without limiting the generality of the foregoing,

- (a) an order determining the notice to be given to any interested person or dispensing with notice to any person;

- (b) an order requiring a corporation to call, hold and conduct an additional meeting of, or to hold a separate vote of, all or any particular group of holders of any securities or warrants of the corporation in such manner as the court directs;
- (c) an order permitting a shareholder to dissent under section 183 if the arrangement is adopted;
- (d) an order appointing counsel, at the expense of the corporation, to represent the interests of shareholders;
- (e) an order that the arrangement or proposed arrangement shall be deemed not to have been adopted by the shareholders of the corporation unless it has been approved by a specified majority that is greater than two-thirds of the votes cast at a meeting of the holders, or any particular group of holders, of securities or warrants of the corporation; and
- (f) an order approving the arrangement as proposed by the corporation or as amended in any manner the court may direct, subject to compliance with such terms and conditions, if any, as the court thinks fit,

and to the extent that any such order is inconsistent with a provision of this section such order shall prevail.

(6) Where a reorganization or scheme is proposed as an arrangement and involves an amendment of the articles of a corporation or the taking of any other steps that could be made or taken under any other provision of this Act, the procedure provided for in this section, and not the procedure provided for in such other provision, applies to such reorganization or scheme. Procedure

(7) Where an amendment of articles is proposed to be made under section 166 that could be made under this section, the procedure provided for in section 166 and not the procedure provided for in this section applies in respect of the amendment. Idem

(8) An applicant under this section shall give the Director notice of the application, and the Director is entitled to appear and be heard in person or by counsel. R.S.O. 1970, c. 53, s. 194 (2-8), *amended*. Director entitled to be heard

**181.**—(1) After an order referred to in clause *f* of subsection 5 of section 180 has been made, articles of arrangement in prescribed form shall be sent to the Director. Articles of arrangement sent to Director



Certificate of  
arrangement

(2) Upon receipt of articles of arrangement the Director shall endorse thereon in accordance with section 271 a certificate which shall constitute the certificate of arrangement. *New.*

Borrowing  
powers

**182.**—(1) Unless the articles or by-laws of or a unanimous shareholder agreement otherwise provide, the articles of a corporation are deemed to state that the directors of a corporation may, without authorization of the shareholders,

- (a) borrow money upon the credit of the corporation;
- (b) issue, reissue, sell or pledge debt obligations of the corporation;
- (c) subject to section 20, give a guarantee on behalf of the corporation to secure performance of an obligation of any person; and
- (d) mortgage, hypothecate, pledge or otherwise create a security interest in all or any property of the corporation, owned or subsequently acquired, to secure any obligation of the corporation.

Delegation of  
powers

(2) Notwithstanding subsection 3 of section 126 and clause *a* of section 132, unless the articles or by-laws of or a unanimous shareholder agreement relating to a corporation otherwise provide, the directors may by resolution delegate any or all of the powers referred to in subsection 1 to a director, a committee of directors or an officer. R.S.O. 1970, c. 53, s. 53, *amended.*

Sale, etc.,  
requires  
approval of  
shareholders

(3) A sale, lease or exchange of all or substantially all the property of a corporation other than in the ordinary course of business of the corporation requires the approval of the shareholders in accordance with subsections 4 to 8.

Notice

(4) The notice of the meeting of shareholders shall include or be accompanied by,

- (a) a copy or summary of the agreement of sale, lease or exchange; and
- (b) a statement that a dissenting shareholder is entitled to be paid the fair value of his shares in accordance with section 183, but failure to make that statement does not invalidate a sale, lease or exchange referred to in subsection 3.

(5) At the meeting referred to in subsection 4, the shareholders may authorize the sale, lease or exchange and may fix or authorize the directors to fix any of the terms and conditions thereof. Shareholders may authorize sale, etc.

(6) If a sale, lease or exchange by a corporation referred to in subsection 3 would affect a particular class or series of shares of the corporation in a manner different from the shares of another class or series of the corporation entitled to vote on the sale, lease or exchange at the meeting referred to in subsection 4, the holders of such first mentioned class or series of shares, whether or not they are otherwise entitled to vote, are entitled to vote separately as a class or series in respect to such sale, lease or exchange. Right to vote separately

(7) The approval of a sale, lease or exchange referred to in subsection 3 is effective when the shareholders have approved the sale, lease or exchange by a special resolution of the holders of the shares of each class or series entitled to vote thereon. Adoption

(8) The directors of a corporation may, if authorized by the shareholders approving a proposed sale, lease or exchange, and subject to the rights of third parties, abandon the sale, lease or exchange without further approval of the shareholders. *New.* Approval by directors

**183.**—(1) Subject to subsection 3 and to sections 184 and 246, if a corporation resolves to, Rights of dissenting shareholders

- (a) amend its articles under section 166 to add, remove or change restrictions on the transfer of shares of a class or series of the shares of the corporation;
- (b) amend its articles under section 166 to add, remove or change any restriction upon the business or businesses that the corporation may carry on or upon the powers that the corporation may exercise;
- (c) amalgamate with another corporation under sections 173 and 174;
- (d) be continued under the laws of another jurisdiction under section 179; or
- (e) sell, lease or exchange all or substantially all its property under subsection 3 of section 182,

a holder of shares of any class or series entitled to vote on the resolution may dissent.

(2) If a corporation resolves to amend its articles in a manner referred to in subsection 1 of section 168, a holder of shares of any Idem

class or series entitled to vote on the amendment under section 166 or 168 may dissent, except in respect of an amendment referred to in clause *a*, *b* or *e* of subsection 1 of section 168 where the articles provide that the holders of shares of such class or series are not entitled to dissent.

Exception

(3) A shareholder of a corporation incorporated before this Act comes into force is not entitled to dissent under this section in respect of an amendment of the articles of the corporation to the extent that the amendment,

- (a) amends the express terms of any provision of the articles of the corporation to conform to the terms of the provision as deemed to be amended by section 274; or
- (b) deletes from the articles of the corporation all of the objects of the corporation set out in its articles, provided that the deletion is made within three years after this Act comes into force.

Shareholder's  
right to be  
paid fair  
value

(4) In addition to any other right he may have, but subject to subsection 28, a shareholder who complies with this section is entitled, when the action approved by the resolution from which he dissents becomes effective, to be paid by the corporation the fair value of the shares held by him in respect of which he dissents, determined as of the close of business on the day before the resolution was adopted or the order was made.

No partial  
dissent

(5) A dissenting shareholder may only claim under this section with respect to all the shares of a class held by him on behalf of any one beneficial owner and registered in the name of the dissenting shareholder.

Objection

(6) A dissenting shareholder shall send to the corporation, at or before any meeting of shareholders at which a resolution referred to in subsection 1 or 2 is to be voted on, a written objection to the resolution, unless the corporation did not give notice to the shareholder of the purpose of the meeting or of his right to dissent.

Notice of  
adoption of  
resolution

(7) The corporation shall, within ten days after the shareholders adopt the resolution, send to each shareholder who has filed the objection referred to in subsection 6 notice that the resolution has been adopted, but such notice is not required to be sent to any shareholder who voted for the resolution or who has withdrawn his objection.

Demand for  
payment of fair  
value

(8) A dissenting shareholder entitled to receive notice under subsection 7 shall, within twenty days after he receives such



notice, or, if he does not receive such notice, within twenty days after he learns that the resolution has been adopted, send to the corporation a written notice containing,

- (a) his name and address;
- (b) the number and class of shares in respect of which he dissents; and
- (c) a demand for payment of the fair value of such shares.

(9) Not later than the thirtieth day after the sending of a notice under subsection 8, a dissenting shareholder shall send the certificates representing the shares in respect of which he dissents to the corporation or its transfer agent. Certificates to be sent in

(10) A dissenting shareholder who fails to comply with subsections 6, 8 and 9 has no right to make a claim under this section. Idem

(11) A corporation or its transfer agent shall endorse on any share certificate received under subsection 9 a notice that the holder is a dissenting shareholder under this section and shall return forthwith the share certificates to the dissenting shareholder. Endorsement on certificate

(12) On sending a notice under subsection 8, a dissenting shareholder ceases to have any rights as a shareholder other than the right to be paid the fair value of his shares as determined under this section except where, Rights of dissenting shareholder

- (a) the dissenting shareholder withdraws his notice before the corporation makes an offer under subsection 13;
- (b) the corporation fails to make an offer in accordance with subsection 13 and the dissenting shareholder withdraws his notice; or
- (c) the directors revoke a resolution to amend the articles under subsection 2 of section 166, terminate an amalgamation agreement under subsection 5 of section 174 or an application for continuance under subsection 5 of section 179, or abandon a sale, lease or exchange under subsection 8 of section 182,

in which case his rights as the holder of the shares in respect of which he has dissented are reinstated as of the date he sent the notice referred to in subsection 8, and he is entitled, upon presentation and surrender to the corporation or its transfer agent of any certificate representing the shares that has been endorsed in

accordance with subsection 11, to be issued a new certificate representing the same number of shares as the certificate so presented, without payment of any fee.

Offer to pay (13) A corporation shall, not later than seven days after the later of the day on which the action approved by the resolution is effective or the day the corporation received the notice referred to in subsection 8, send to each dissenting shareholder who has sent such notice,

(a) a written offer to pay for his shares in an amount considered by the directors of the corporation to be the fair value thereof, accompanied by a statement showing how the fair value was determined; or

(b) if subsection 28 applies, a notification that it is unable lawfully to pay dissenting shareholders for their shares.

Idem (14) Every offer made under subsection 13 for shares of the same class or series shall be on the same terms.

Idem (15) Subject to subsection 28, a corporation shall pay for the shares of a dissenting shareholder within ten days after an offer made under subsection 13 has been accepted, but any such offer lapses if the corporation does not receive an acceptance thereof within thirty days after the offer has been made.

Application to court to fix fair value (16) Where a corporation fails to make an offer under subsection 13 or if a dissenting shareholder fails to accept an offer, the corporation may, within fifty days after the action approved by the resolution is effective or within such further period as the court may allow, apply to the court to fix a fair value for the shares of any dissenting shareholder.

Idem (17) If a corporation fails to apply to the court under subsection 16, a dissenting shareholder may apply to the court for the same purpose within a further period of twenty days or within such further period as the court may allow.

Idem (18) A dissenting shareholder is not required to give security for costs in an application made under subsection 16 or 17.

Costs (19) If a corporation fails to comply with subsection 13, then the costs of a shareholder application under subsection 17 are to be borne by the corporation unless the court otherwise orders.

Notice to shareholders (20) Before making application to the court under subsection 16 or not later than seven days after receiving notice of an application to the court under subsection 17, as the case may be, a corporation

shall give notice to each dissenting shareholder who, at the date upon which the notice is given,

- (a) has sent to the corporation the notice referred to in subsection 8; and
- (b) has not accepted an offer made by the corporation under subsection 13, if such an offer was made,

of the date, place and consequences of the application and of his right to appear and be heard in person or by counsel, and a similar notice shall be given to each dissenting shareholder who, after the date of such first mentioned notice and before termination of the proceedings commenced by the application, satisfies the conditions set out in clauses *a* and *b* within three days after he satisfies such conditions.

(21) All dissenting shareholders who satisfy the conditions set out in clauses *a* and *b* of subsection 20 shall be deemed to be joined as parties to an application under subsection 16 or 17 on the later of the date upon which the application is brought and the date upon which they satisfy the conditions, and shall be bound by the decision rendered by the court in the proceedings commenced by the application. Parties joined

(22) Upon an application to the court under subsection 16 or 17, the court may determine whether any other person is a dissenting shareholder who should be joined as a party, and the court shall fix a fair value for the shares of all dissenting shareholders. Idem

(23) The court may in its discretion appoint one or more appraisers to assist the court to fix a fair value for the shares of the dissenting shareholders. Appraisers

(24) The final order of the court in the proceedings commenced by an application under subsection 16 or 17 shall be rendered against the corporation and in favour of each dissenting shareholder who, whether before or after the date of the order, complies with the conditions set out in clauses *a* and *b* of subsection 20. Final order

(25) The court may in its discretion allow a reasonable rate of interest on the amount payable to each dissenting shareholder from the date the action approved by the resolution is effective until the date of payment. Interest

(26) Where subsection 28 applies, the corporation shall, within ten days after the pronouncement of an order under subsection 24, notify each dissenting shareholder that it is unable lawfully to pay dissenting shareholders for their shares. Where corporation unable to pay

Idem

(27) Where subsection 28 applies, a dissenting shareholder, by written notice delivered to the corporation within thirty days after receiving a notice under subsection 26, may,

- (a) withdraw his notice of dissent, in which case the corporation is deemed to consent to the withdrawal and the shareholder is reinstated to his full rights as a shareholder; or
- (b) retain a status as a claimant against the corporation, to be paid as soon as the corporation is lawfully able to do so or, in a liquidation, to be ranked subordinate to the rights of creditors of the corporation but in priority to its shareholders.

Idem

(28) A corporation shall not make a payment to a dissenting shareholder under this section if there are reasonable grounds for believing that,

- (a) the corporation is or, after the payment, would be unable to pay its liabilities as they become due; or
- (b) the realizable value of the corporation's assets would thereby be less than the aggregate of its liabilities.

Court order

(29) Upon application by a corporation that proposes to take any of the actions referred to in subsection 1, the court may, if satisfied that the proposed action is not in all the circumstances one that should give rise to the rights arising under subsection 4, by order declare that those rights will not arise upon the taking of the proposed action, and the order may be subject to compliance with such terms and conditions as the court thinks fit and notice of any such application and a copy of any order made by the court upon such application shall be served upon the Director and, if the corporation is an offering corporation, upon the Commission.

Director may appear

(30) The Director and, in the case of an offering corporation, the Commission may appoint counsel to assist the court upon the hearing of an application under subsection 29. R.S.O. 1970, c. 53, s. 100; 1972, c. 138, s. 24, *amended*.

Reorganization  
R.S.C. 1970,  
c. B-4

**184.**—(1) In this section, “reorganization” means a court order made under section 246 or an order made under the *Bankruptcy Act* (Canada) approving a proposal.

Articles amended

(2) If a corporation is subject to a reorganization, its articles may be amended by such order to effect any change that might lawfully be made by an amendment under section 166.

Auxiliary  
powers of  
court

(3) Where a reorganization is made, the court may also,

(a) authorize the issue of debt obligations of the corporation, whether or not convertible into shares of any class or having attached any rights or options to acquire shares of any class, and fix the terms thereof; and

(b) appoint directors in place of or in addition to all or any of the directors then in office.

(4) After a reorganization has been made, articles of reorganization in prescribed form shall be sent to the Director. Articles of reorganization

(5) Upon receipt of articles of reorganization, the Director shall endorse thereon in accordance with section 271 a certificate which shall constitute the certificate of amendment and the articles are amended accordingly. Certificate

(6) A shareholder is not entitled to dissent under section 183 if an amendment to the articles is effected under this section. *New.* No dissent

## PART XIV

### COMPULSORY ACQUISITIONS

**185.**—(1) This Part applies only to an offering corporation. Application

(2) In this Part, Interpretation

(a) “dissenting offeree” means a person to whom a take-over bid or issuer bid is made who does not accept the take-over bid or issuer bid and includes a person who subsequently acquires a security that is the subject of the bid;

(b) “equity security” means any security other than a debt obligation of a corporation;

(c) “issuer bid” means an offer made by a corporation to security holders to purchase, redeem or otherwise acquire any or all of a class of the securities of the corporation, other than where,

(i) the securities to be purchased, redeemed or otherwise acquired are debt securities that are not convertible into equity securities,

(ii) the securities are to be purchased, redeemed or otherwise acquired in accordance with the terms and conditions thereof or otherwise agreed to at



the time they were issued or subsequently varied by amendment of the documents setting out those terms and conditions, or are acquired to meet sinking fund requirements or from an employee or a former employee of the issuer or of an affiliate, or

- (iii) the purchases, redemptions or other acquisitions to be made are required by the instrument creating or governing the class of securities or by this Act;
- (d) “offeree” means a person to whom a take-over bid or an issuer bid is made;
- (e) “offeree corporation” means a corporation whose securities are the subject of a take-over bid;
- (f) “offeror” means a person, other than an agent, who makes a take-over bid or an issuer bid;
- (g) “take-over bid” means an offer made to security holders of an offeree corporation to purchase directly or indirectly voting securities of the offeree corporation, where the voting securities that are the subject of the offer to purchase, the acceptance of the offer to sell or the combination thereof, as the case may be, together with the securities currently owned by the offeror, its affiliates and associates will in the aggregate exceed 20 per cent of the outstanding voting securities of the offeree corporation. *New.*

Take-over or  
issuer bid

**186.**—(1) If within 120 days after the date of,

- (a) a take-over bid, the bid is accepted by the holders of not less than 90 per cent of the securities of any class of securities to which the bid relates, other than securities held at the date of the bid by or on behalf of the offeror, or an affiliate or associate of the offeror; or
- (b) an issuer bid, the bid is accepted by the holders of not less than 90 per cent of the securities of any class of securities to which the bid relates, other than securities held at the date of the bid by or on behalf of the issuer, or an affiliate or associate of the issuer,

the offeror is entitled, upon complying with this section, to acquire the securities held by dissenting offerees.

(2) An offeror may acquire the securities of any class to which the bid relates that are held by a dissenting offeree by sending by registered mail on or before the earlier of the sixtieth day following the termination of the bid and the one hundred and eightieth day following the date of the bid an offeror's notice to each dissenting offeree and to the Director stating in substance that,

Shares of  
dissenting  
offeree

- (a) offerees holding more than 90 per cent of the securities to which the bid relates other than securities held at the date of the bid by or on behalf of the offeror or an affiliate or associate of the offeror have accepted the bid;
- (b) the offeror is bound to take up and pay for or has taken up and paid for the securities of the offerees who accepted the bid;
- (c) a dissenting offeree is required to elect,
  - (i) to transfer his securities to the offeror on the terms on which the offeror acquired the securities of the offerees who accepted the bid, or
  - (ii) to demand payment of the fair value of his securities in accordance with subsections 13 to 21 by notifying the offeror within twenty days after receipt of the offeror's notice;
- (d) a dissenting offeree who does not notify the offeror in accordance with subclause ii of clause c is deemed to have elected to transfer his securities to the offeror on the same terms that the offeror acquired the securities from the offerees who accepted the bid; and
- (e) a dissenting offeree must send the certificates representing his securities to which the bid relates to the offeree corporation or, in the case of an issuer bid, to the offeror within twenty days after he receives the offeror's notice.

(3) In the case of,

Notice

- (a) a take-over bid, concurrently with sending the offeror's notice under subsection 2, the offeror shall send or deliver to the offeree corporation a notice of adverse claim in accordance with section 87 with respect to each share held by a dissenting offeree; or
- (b) an issuer bid, the offeror shall be deemed to have notice of an adverse claim for the purpose of section 87 with respect to each share held by a dissenting offeree.



Sending in  
share  
certificates

(4) A dissenting offeree to whom an offeror's notice is sent under subsection 2 shall, within twenty days after he receives that notice,

- (a) send the certificates representing his securities to which the take-over bid relates to the offeree corporation; or
- (b) send the certificates representing his securities to which the issuer bid relates to the offeror.

Payment by  
offeror

(5) Within twenty days after the offeror sends an offeror's notice under subsection 2, the offeror shall pay or transfer to the offeree corporation the amount of money or other consideration that the offeror would have had to pay or transfer to all dissenting offerees if they had elected to accept the take-over bid under subclause i of clause *c* of subsection 2.

Trust funds

(6) An offeree corporation is deemed to hold in trust for dissenting offerees the money or other consideration it receives under subsection 5, and the offeree corporation shall deposit the money in a separate account in a bank or other body corporate any of whose deposits are insured by the Canada Deposit Insurance Corporation and shall place the other consideration in the custody of a bank or other such body corporate.

Idem

(7) The offeror making an issuer bid is deemed to hold in trust for dissenting offerees the money or other consideration that the offeror would have had to pay or transfer to all dissenting offerees if they had elected to accept the issuer bid under subclause i of clause *c* of subsection 2 and, within twenty days after the issuer sends an offeror's notice under subsection 2, the issuer shall deposit any such money in a separate account in a bank or other body corporate any of whose deposits are insured by the Canada Deposit Insurance Corporation and shall place the other consideration in the custody of a bank or such other body corporate within twenty days after the offeror sends an offeror's notice under subsection 2.

Notice of  
compliance

(8) Within ten days after the offeror complies with subsection 5 or subsection 7, as the case may be, the offeror shall give notice of the date of such compliance to all dissenting offerees.

Application  
to court

(9) At any time prior to the thirtieth day following the day upon which the offeror's notice referred to in subsection 2 is sent to dissenting offerees, a dissenting offeree who has demanded payment of the fair value of his securities in accordance with subclause ii of clause *c* of subsection 2 may apply to the court for an order requiring the person who has sent the offeror's notice to provide, in such form as the court considers appropriate, such

additional security for payment to dissenting offerees of the fair value of their securities as the court may determine to be necessary, pending the determination of such fair value.

(10) The securities of all dissenting offerees shall be deemed to have been acquired by the offeror, Where shares deemed acquired

- (a) where an application under subsection 9 has not been made within the time set out in subsection 9, upon the expiration of that time; or
- (b) where an application has been made under subsection 9, upon compliance with the order made in respect of the application.

(11) Within ten days after the acquisition of the securities of dissenting offerees under subsection 10 by an offeror who has made a take-over bid, the offeree corporation shall, Duties of offeree corporation

- (a) issue to the offeror a security certificate in respect of the securities that were held by dissenting offerees;
- (b) send to each dissenting offeree who elects to accept the take-over bid terms under subclause i of clause c of subsection 2 and who sends his security certificates as required under clause a of subsection 4, the money or other consideration to which he is entitled; and
- (c) send to each dissenting offeree who has not sent his security certificates as required under clause a of subsection 4, notice stating in substance that,
  - (i) the certificates representing his securities have been cancelled,
  - (ii) the offeree corporation or some designated person holds in trust for him the money or other consideration to which he is entitled as payment for or in exchange for his securities, and
  - (iii) the offeree corporation will, subject to subsections 13 to 21, send that money or other consideration to him forthwith after receiving his securities.

(12) Within ten days after the acquisition of the securities of dissenting offerees under subsection 10 by an offeror who has made an issuer bid, the offeror shall, Payment by offeror

- (a) send to each dissenting offeree who elects to accept the issuer bid terms under subclause i of clause *c* of subsection 2 and who sends his security certificates as required under clause *b* of subsection 4, the money or other consideration to which he is entitled; and
- (b) send to each dissenting offeree who has not sent his security certificates as required under clause *b* of subsection 4 a notice stating in substance that,
  - (i) the certificates representing his securities have been cancelled,
  - (ii) the offeror or some designated person holds in trust for him the money or other consideration to which he is entitled as payment for or in exchange for his securities, and
  - (iii) the offeror will, subject to subsections 13 to 21, send that money or other consideration to him forthwith after receiving his securities.

Application to  
fix fair value

(13) If a dissenting offeree has elected to demand payment of the fair value of his securities under subclause ii of clause *c* of subsection 2, the offeror may, in the case of a take-over bid, within twenty days after it has complied with subsection 5 or, in the case of an issuer bid, within twenty days after it has complied with subsection 7, apply to the court to fix the fair value of the securities of that dissenting offeree.

Idem

(14) If an offeror fails to apply to the court under subsection 13, a dissenting offeree may apply to the court for the same purpose within a further period of twenty days.

Where no  
application

(15) If no application is made to the court under subsection 13 or 14 within the periods set out in those subsections, a dissenting offeree is deemed to have elected to transfer his securities to the offeror on the same terms that the offeror acquired the securities from offerees who accepted the take-over or issuer bid and, provided that the dissenting offeree has complied with subsection 4, the issuer or the offeree corporation, as the case may be, shall pay or transfer to the dissenting offeree the money or other consideration to which he is entitled.

Security for  
costs not  
required

(16) A dissenting offeree is not required to give security for costs in an application made under subsection 13 or 14.

Parties

(17) Upon an application under subsection 13 or 14,

- (a) all dissenting offerees referred to in subclause ii of clause *c* of subsection 2 whose securities have not been acquired

by the offeror shall be joined as parties and are bound by the decision of the court; and

- (b) the offeror shall notify each such dissenting offeree of the date, place and consequences of the application and of his right to appear and be heard in person or by counsel.

(18) Upon an application to the court under subsection 13 or 14, <sup>Idem</sup> the court may determine whether any other person is a dissenting offeree who should be joined as a party, and the court shall then fix a fair value for the securities of all dissenting offerees.

(19) The court may appoint one or more appraisers to assist the court in fixing a fair value for the securities of each dissenting offeree. <sup>Appointment of appraisers</sup>

(20) The final order of the court shall be made against the offeror in favour of each dissenting offeree. <sup>Final order</sup>

(21) In connection with proceedings under this section, the court may make any order it thinks fit and, without limiting the generality of the foregoing, it may, <sup>What court may order</sup>

- (a) fix the amount of money or other consideration that is required to be held in trust under subsection 6 or 7;
- (b) order that the money or other consideration be held in trust by a person other than,
  - (i) the offeree corporation, or
  - (ii) in the case of an issuer bid, the offeror corporation;
- (c) allow a reasonable rate of interest on the amount payable to each dissenting offeree from the date he sends his security certificates under subsection 4 until the date of payment; or
- (d) order that any money payable to a dissenting offeree who cannot be found be paid to the Public Trustee. *New.*

**187.**—(1) Where 90 per cent or more of a class of securities of a corporation, other than debt obligations, are acquired by or on behalf of a person, his affiliates and his associates, then the holder of any securities of that class not counted for the purposes of calculating such percentage shall be entitled in accordance with this section to require the corporation to acquire his securities of that class. <sup>Where corporation required to acquire securities</sup>

- Notice (2) Every corporation, within thirty days after it becomes aware that security holders are entitled to require it to acquire their securities under subsection 1, shall send a written notice to each such security holder that he may within sixty days of the date of such notice require the corporation to acquire his securities.
- Idem (3) The notice sent by the corporation under subsection 2 shall,
- (a) set out a price that the corporation is willing to pay for the securities;
  - (b) give the basis for arriving at the price;
  - (c) state the location where any supporting material used for arriving at the price may be examined and extracts taken therefrom by the security holder or his duly authorized agent; and
  - (d) state that if the security holder is not satisfied with the price offered by the corporation in the notice he is entitled to have the fair value of his securities fixed by the court.
- Election by security holder (4) Where a security holder receives a notice under subsection 2 and wishes the corporation to acquire his securities, he may, within sixty days after the date of the notice,
- (a) elect to accept the price offered by the corporation by giving notice of his acceptance to the corporation and by forthwith sending his security certificates to the corporation; or
  - (b) notify the corporation that he wishes to have the fair value of his securities fixed by the court.
- Application to fix fair value (5) Where a security holder wishes to have the fair value of his securities fixed by the court, the corporation shall make an application to the court within ninety days after the date of the notice under subsection 2.
- Idem (6) If a corporation fails to send notice under subsection 2, a security holder, after giving the corporation thirty days notice of his intention so to do, may apply to the court to have the fair value of his securities fixed.
- Idem (7) If a corporation fails to make an application to the court as required under subsection 5, a security holder may make the application.



(8) Upon an application to the court under subsection 5, 6 or 7, Parties

- (a) all security holders who have notified the corporation under clause *b* of subsection 4 may be joined as parties as the court thinks fit and, if so joined, are bound by the decision of the court; and
- (b) the corporation shall notify each security holder entitled to notice under subsection 2 of the date, place and purpose of the application and of his right to appear and be heard in person or by counsel.

(9) Upon an application to the court under subsection 5, 6 or 7, Idem the court may determine whether any security holders should properly be sent or have been sent notice and whether such security holders should be joined as parties.

(10) The court may appoint one or more appraisers to assist the court in fixing a fair value for the securities. Appointment of appraiser

(11) The final order of the court shall be made against the corporation in favour of each entitled security holder. Final order

(12) A security holder requesting the court to fix the fair value of his securities is not required to give security for costs on the application. Security not required

(13) The costs under this section shall be on a solicitor and client basis. *New.* Costs

**188.**—(1) In this section,

Interpretation

- (a) “affected security” means a participating security of a corporation in which the interest of the holder would be terminated by reason of a going private transaction;
- (b) “going private transaction” means an amalgamation, arrangement, consolidation or other transaction carried out under this Act by a corporation that would cause the interest of a holder of a participating security of the corporation to be terminated without the consent of the holder and without the substitution therefor of an interest of equivalent value in a participating security that,

- (i) is issued by the corporation, an affiliate of the corporation or a successor body corporate, and

- (ii) is not limited in the extent of its participation in earnings to any greater extent than the participating security for which it is substituted,

but does not include,

- (iii) an acquisition under section 186,

- (iv) a redemption of, or other compulsory termination of the interest of the holder in, a security if the security is redeemed or otherwise acquired in accordance with the terms and conditions attaching thereto or under a requirement of the articles relating to the class of securities or of this Act, or

- (v) a proceeding under Part XV;

- (c) “participating security” means a security issued by a body corporate other than a security that is, in all circumstances, limited in the extent of its participation in earnings and includes,

- (i) a security currently convertible into such a security, and

- (ii) currently exercisable warrants entitling the holder to acquire such a security or such a convertible security.

Going private  
transaction

(2) A corporation that proposes to carry out a going private transaction shall have prepared by an independent, qualified valuer a written valuation indicating a per security value or range of values for each class of affected securities, and,

- (a) the valuation shall be prepared or revised as of a date not more than 120 days before the announcement of the going private transaction, with appropriate adjustments for subsequent events other than the going private transaction;
- (b) the valuation shall not contain a downward adjustment to reflect the fact that the affected securities do not form part of a controlling interest; and
- (c) if the consideration to be received by the holders of the affected securities is wholly or partly other than cash, or a right to receive cash within ninety days after the approval by security holders of the going private transaction, the valuation shall include the valuer’s opinion



whether the value of each affected security to be surrendered is equal to or greater than the total value of the consideration to be received therefor.

(3) The corporation shall send a management information circular to the holders of the affected securities not less than forty days prior to the date of a meeting which shall be called by it to consider that transaction, and the information circular shall contain, in addition to any other required information and subject to any exemption granted under subsection 6,

Information  
circular

- (a) a summary of the valuation prepared in compliance with subsection 2 and a statement that a holder of an affected security may inspect a copy of the valuation at the registered office of the corporation or may obtain a copy of the valuation upon request and payment of a specified amount sufficient to cover reasonable costs of reproduction and mailing;
- (b) a statement of the approval or approvals of holders of affected securities required to be obtained in accordance with this section;
- (c) a certificate signed by a senior officer or a director of the corporation certifying that he and, to his knowledge, the corporation are unaware of any material fact relevant to the valuation prepared in compliance with subsection 2 that was not disclosed to the valuer; and
- (d) a statement of the class or classes of affected securities and of the number of securities of each class and, if any securities of any such class are, under paragraph 3 of subsection 4, not to be taken into account in the vote required by subsection 4, a statement of the number thereof and why they are not to be taken into account,

but if all or any portion of a class of affected securities is represented by certificates that are not in registered form, it shall be sufficient to make the information circular available to the holders of such affected securities in the manner provided for in the terms of the securities for sending notice to such holders or otherwise in such manner as may be prescribed.

(4) A corporation shall not carry out a going private transaction unless, in addition to any other required security holder approval, the transaction is approved by the holders of each class of affected securities by a vote in accordance with the following provisions:

Idem

- 1. If the consideration to be received by a holder of an affected security of the particular class is,

- i. payable wholly or partly other than in cash or a right to receive cash within ninety days after the approval of the going private transaction, or
- ii. payable entirely in cash and is less in amount than the per security value or the mid-point of the range of per security values, arrived at by the valuation prepared in compliance with subsection 2,

then the approval shall be given by a special resolution.

- 2. In cases other than those referred to in paragraph 1, the approval shall be given by an ordinary resolution.
- 3. In determining whether the transaction has been approved by the requisite majority, the votes of,
  - i. securities held by affiliates of the corporation,
  - ii. securities the beneficial owners of which will, consequent upon the going private transaction, be entitled to a per security consideration greater than that available to other holders of affected securities of the same class,
  - iii. securities the beneficial owners of which, alone or in concert with others, effectively control the corporation and who, prior to distribution of the information circular, entered into an understanding that they would support the going private transaction,

shall be disregarded both in determining the total number of votes cast and in determining the number of votes cast in favour of or against the transaction.

Effect of  
section

(5) The rights provided by this section are in addition to any other rights of a holder of affected securities.

Powers of  
Commission

(6) Upon an application by an interested person, the Commission may, subject to such terms and conditions as it may impose, exempt any person from any requirement of this section where in its opinion to do so would not be prejudicial to the public interest, and the Commission may publish guidelines as to the manner and circumstances in which it will exercise this discretion.

Rights of  
security holder

(7) A holder of an affected security that is a share of any class of a corporation may dissent from a going private transaction upon compliance with the procedures set out in section 183, in which case he shall be entitled to the rights and remedies provided by that section. *New.*

## PART XV

## LIQUIDATION AND DISSOLUTION

**189.** In sections 191 to 234, “contributory” means a person who is liable to contribute to the property of a corporation in the event of the corporation being wound up under this Act. R.S.O. 1970, c. 53, s. 201. Interpretation

**190.** Sections 191 to 203 apply to corporations being wound up voluntarily. R.S.O. 1970, c. 53, s. 202. Application of ss. 191-203

**191.**—(1) The shareholders of a corporation may, by special resolution, require the corporation to be wound up voluntarily. Voluntary winding up

(2) At such meeting, the shareholders shall appoint one or more persons, who may be directors, officers or employees of the corporation, as liquidator of the estate and effects of the corporation for the purpose of winding up its business and affairs and distributing its property, and may at that or any subsequent meeting fix his remuneration and the costs, charges and expenses of the winding up. Appointment of liquidator

(3) On the application of any shareholder or creditor of the corporation or of the liquidator, the court may review the remuneration of the liquidator and, whether or not the remuneration has been fixed in accordance with subsection 2, the court may fix and determine the remuneration at such amount as it thinks proper. Review of remuneration by court

(4) A corporation shall file notice, in the prescribed form, of a resolution requiring the voluntary winding up of the corporation with the Director within ten days after the resolution has been passed and shall publish the notice in *The Ontario Gazette* within twenty days after the resolution has been passed. R.S.O. 1970, c. 53, s. 203, *amended*. Publication of notice

**192.** The shareholders of a corporation being wound up voluntarily may delegate to any committee of shareholders, contributories or creditors, hereinafter referred to as inspectors, the power of appointing the liquidator and filling any vacancy in the office of liquidator, or may enter into any arrangement with creditors of the corporation with respect to the powers to be exercised by the liquidator and the manner in which they are to be exercised. R.S.O. 1970, c. 53, s. 204, *amended*. Inspectors

**193.** If a vacancy occurs in the office of liquidator by death, resignation or otherwise, the shareholders may, subject to any arrangement the corporation may have entered into with its creditors upon the appointment of inspectors, fill such vacancy, and a meeting for that purpose may be called by the continuing Vacancy in office of liquidator

liquidator, if any, or by any shareholder or contributory, and shall be deemed to have been duly held if called in the manner prescribed by the articles or by-laws of the corporation, or, in default thereof, in the manner prescribed by this Act for calling meetings of the shareholders of the corporation. R.S.O. 1970, c. 53, s. 205, *amended*.

Removal of  
liquidator

**194.** The shareholders of a corporation may by ordinary resolution passed at a meeting called for that purpose remove a liquidator appointed under section 191, 192 or 193, and in such case shall appoint another liquidator in his stead. R.S.O. 1970, c. 53, s. 206, *amended*.

Commence-  
ment of  
winding up

**195.** A voluntary winding up commences at the time of the passing of the resolution requiring the winding up or at such later time as may be specified in the resolution. R.S.O. 1970, c. 53, s. 207, *amended*.

Corporation  
to cease  
business

**196.** A corporation being wound up voluntarily shall, from the commencement of its winding up, cease to carry on its undertaking, except in so far as may be required as beneficial for the winding up thereof, and all transfers of shares, except transfers made to or with the sanction of the liquidator taking place after the commencement of its winding up, are void, but its corporate existence and all its corporate powers, notwithstanding that it is otherwise provided by its articles or by-laws, continue until its affairs are wound up. R.S.O. 1970, c. 53, s. 208, *amended*.

No proceedings  
against  
corporation  
after  
voluntary  
winding up  
except by leave

**197.** After the commencement of a voluntary winding up,

- (a) no action or other proceeding shall be commenced against the corporation; and
- (b) no attachment, sequestration, distress or execution shall be put in force against the estate or effects of the corporation,

except by leave of the court and subject to such terms as the court imposes. R.S.O. 1970, c. 53, s. 209.

List of  
contributories  
and calls

**198.—(1)** Upon a voluntary winding up, the liquidator,

- (a) shall settle the list of contributories; and
- (b) may, before he has ascertained the sufficiency of the property of the corporation, call on all or any of the contributories for the time being settled on the list of contributories to the extent of their liability to pay any sum that he considers necessary for satisfying the

liabilities of the corporation and the costs, charges and expenses of winding up and for adjusting the rights of the contributories among themselves.

(2) A list settled by the liquidator under clause *a* of subsection 1 is *prima facie* proof of the liability of the persons named therein to be contributories. List *prima facie* proof

(3) The liquidator in making a call under clause *b* of subsection 1 may take into consideration the probability that some of the contributories upon whom the call is made may partly or wholly fail to pay their respective portions of the call. R.S.O. 1970, c. 53, s. 210. Default on calls

**199.**—(1) The liquidator may, during the continuance of the voluntary winding up, call meetings of the shareholders of the corporation for any purpose he thinks fit. Meetings of corporation during winding up

(2) Where a voluntary winding up continues for more than one year, the liquidator shall call a meeting of the shareholders of the corporation at the end of the first year and of each succeeding year from the commencement of the winding up, and he shall lay before the meeting an account showing his acts and dealings and the manner in which the winding up has been conducted during the immediately preceding year. R.S.O. 1970, c. 53, s. 211. Where winding up continues more than one year

**200.** The liquidator, with the approval of the shareholders of the corporation or the inspectors, may make such compromise or other arrangement as the liquidator thinks expedient with any creditor or person claiming to be a creditor or having or alleging that he has a claim, present or future, certain or contingent, liquidated or unliquidated, against the corporation or whereby the corporation may be rendered liable. R.S.O. 1970, c. 53, s. 212, *amended*. Arrangements with creditors

**201.** The liquidator may, with the approval referred to in section 200, compromise all debts and liabilities capable of resulting in debts, and all claims, whether present or future, certain or contingent, liquidated or unliquidated, subsisting or supposed to subsist between the corporation and any contributory, alleged contributory or other debtor or person who may be liable to the corporation and all questions in any way relating to or affecting the property of the corporation, or the winding up of the corporation, upon the receipt of such sums payable at such times and generally upon such terms as are agreed, and the liquidator may take any security for the discharge of such debts or liabilities and give a complete discharge in respect thereof. R.S.O. 1970, c. 53, s. 213. Power to compromise with debtors and contributories



Power to accept shares, etc., as consideration for sale of property to another body corporate

**202.**—(1) Where a corporation is proposed to be or is in the course of being wound up voluntarily and it is proposed to transfer the whole or a portion of its business or property to another body corporate, the liquidator, with the approval of a resolution of the shareholders of the corporation conferring either a general authority on the liquidator or an authority in respect of any particular arrangement, may receive, in compensation or in part-compensation for the transfer, cash or shares or other like interest in the purchasing body corporate or any other body corporate for the purpose of distribution among the creditors or shareholders of the corporation that is being wound up in the manner set forth in the arrangement, or may, in lieu of receiving cash or shares or other like interest, or in addition thereto, participate in the profits of or receive any other benefit from the purchasing body corporate or any other body corporate.

Confirmation of sale or arrangement

(2) A transfer made or arrangement entered into by the liquidator under this section is not binding on the shareholders of the corporation that is being wound up unless the transfer or arrangement is approved in accordance with subsections 3, 6 and 7 of section 182.

Where resolution not invalid

(3) No resolution is invalid for the purposes of this section because it was passed before or concurrently with a resolution for winding up the corporation or for appointing the liquidator. R.S.O. 1970, c. 53, s. 214, *amended*.

Account of voluntary winding up to be made by liquidator to a meeting

**203.**—(1) The liquidator shall make up an account showing the manner in which the winding up has been conducted and the property of the corporation disposed of, and thereupon shall call a meeting of the shareholders of the corporation for the purpose of having the account laid before them and hearing any explanation that may be given by the liquidator, and the meeting shall be called in the manner prescribed by the articles or by-laws or, in default thereof, in the manner prescribed by this Act for the calling of meetings of shareholders.

Notice of holding of meeting

(2) The liquidator shall within ten days after the meeting is held file a notice in the prescribed form with the Director stating that the meeting was held and the date thereof and shall forthwith publish the notice in *The Ontario Gazette*.

Dissolution

(3) Subject to subsection 4, on the expiration of three months from the date of the filing of the notice, the corporation is dissolved.

Extension

(4) At any time during the three-month period mentioned in subsection 3, the court may, on the application of the liquidator or any other person interested, make an order deferring the date on

which the dissolution of the corporation is to take effect to a date fixed in the order, and in such event the corporation is dissolved on the date so fixed.

(5) Notwithstanding anything in this Act, the court at any time after the affairs of the corporation have been fully wound up may, upon the application of the liquidator or any other person interested, make an order dissolving it, and it is dissolved on the date fixed in the order.

Dissolution by  
court order

(6) The person on whose application an order was made under subsection 4 or 5 shall within ten days after it was made file with the Director a certified copy of the order and forthwith publish notice of the order in *The Ontario Gazette*. R.S.O. 1970, c. 53, s. 215, *amended*.

Copy of extension order to be  
filed

**204.** Sections 205 to 216 apply to corporations being wound up by order of the court. R.S.O. 1970, c. 53, s. 216.

Application of  
ss. 205-216

**205.**—(1) A corporation may be wound up by order of the court,

Winding up by  
court

(a) where the court is satisfied that in respect of the corporation or any of its affiliates,

- (i) any act or omission of the corporation or any of its affiliates effects a result,
- (ii) the business or affairs of the corporation or any of its affiliates are or have been carried on or conducted in a manner, or
- (iii) the powers of the directors of the corporation or any of its affiliates are or have been exercised in a manner,

that is oppressive or unfairly prejudicial to or that unfairly disregards the interests of any security holder, creditor, director or officer; or

(b) where the court is satisfied that,

- (i) a unanimous shareholder agreement entitled a complaining shareholder to demand dissolution of the corporation after the occurrence of a specified event and that event has occurred,
- (ii) proceedings have been begun to wind up voluntarily and it is in the interest of contributories and



creditors that the proceedings should be continued under the supervision of the court,

(iii) the corporation, though it may not be insolvent, cannot by reason of its liabilities continue its business and it is advisable to wind it up, or

(iv) it is just and equitable for some reason, other than the bankruptcy or insolvency of the corporation, that it should be wound up; or

(c) where the shareholders by special resolution authorize an application to be made to the court to wind up the corporation.

Court order      (2) Upon an application under this section, the court may make such order under this section or section 246 as it thinks fit. R.S.O. 1970, c. 53, s. 217, *amended*.

Who may apply      **206.**—(1) A winding-up order may be made upon the application of the corporation or of a shareholder or, where the corporation is being wound up voluntarily, of the liquidator or of a contributory or of a creditor having a claim of \$2,500 or more.

Notice      (2) Except where the application is made by the corporation, four days' notice of the application shall be given to the corporation before the making of the application. R.S.O. 1970, c. 53, s. 218.

Power of court      **207.** The court may make the order applied for, may dismiss the application with or without costs, may adjourn the hearing conditionally or unconditionally or may make any interim or other order as is considered just, and upon the making of the order may, according to its practice and procedure, refer the proceedings for the winding up to an officer of the court for inquiry and report and may authorize the officer to exercise such powers of the court as are necessary for the reference. R.S.O. 1970, c. 53, s. 219.

Appointment of liquidator      **208.**—(1) The court in making the winding-up order may appoint one or more persons as liquidator of the estate and effects of the corporation for the purpose of winding up its business and affairs and distributing its property.

Remuneration      (2) The court may at any time fix the remuneration of the liquidator.

Vacancy      (3) If a liquidator appointed by the court dies or resigns or the office becomes vacant for any reason, the court may by order fill the vacancy. R.S.O. 1970, c. 53, s. 215 (1-3).

(4) A liquidator appointed by the court under this section shall forthwith give to the Director notice in the prescribed form of his appointment and shall, within twenty days of his appointment, publish the notice in *The Ontario Gazette*. R.S.O. 1970, c. 53, s. 215 (4), *amended*. Notice of appointment

**209.** The court may by order remove for cause a liquidator appointed by it, and in such case shall appoint another liquidator in his stead. R.S.O. 1970, c. 53, s. 221. Removal of liquidator

**210.** The costs, charges and expenses of a winding up by order of the court shall be taxed by a taxing officer of the Supreme Court. R.S.O. 1970, c. 53, s. 222. Costs and expenses

**211.** Where a winding-up order is made by the court without prior voluntary winding-up proceedings, the winding up shall, unless a court otherwise orders, be deemed to commence at the time of the service of notice of the application, and, where the application is made by the corporation, at the time the application is made. R.S.O. 1970, c. 53, s. 223. Commencement of winding up

**212.** Where a winding-up order has been made by the court, proceedings for the winding up of the corporation shall be taken in the same manner and with the like consequences as provided for a voluntary winding up, except that the list of contributories shall be settled by the court unless it has been settled by the liquidator before the winding-up order, in which case the list is subject to review by the court, and except that all proceedings in the winding up are subject to the order and direction of the court. R.S.O. 1970, c. 53, s. 224. Proceedings in winding up after order

**213.—(1)** Where a winding-up order has been made by the court, the court may direct meetings of the shareholders of the corporation to be called, held and conducted in such manner as the court thinks fit for the purpose of ascertaining their wishes, and may appoint a person to act as chairman of any such meeting and to report the result of it to the court. Meetings of shareholders of corporation may be ordered

(2) Where a winding-up order has been made by the court, the court may require any contributory for the time being settled on the list of contributories, or any director, officer, employee, trustee, banker or agent of the corporation to pay, deliver, convey, surrender or transfer forthwith, or within such time as the court directs, to the liquidator any sum or balance, documents, records, estate or effects that are in his hands and to which the corporation is *prima facie* entitled. Order for delivery by contributories and others of property, etc.

(3) Where a winding-up order has been made by the court, the court may make an order for the inspection of the documents and Inspection of documents and records

records of the corporation by its creditors and contributories, and any documents and records in the possession of the corporation may be inspected in conformity with the order. R.S.O. 1970, c. 53, s. 225.

Proceedings  
against cor-  
poration after  
court winding  
up

**214.** After the commencement of a winding up by order of the court,

- (a) no action or other proceeding shall be proceeded with or commenced against the corporation; and
- (b) no attachment, sequestration, distress or execution shall be put in force against the estate or effects of the corporation,

except by leave of the court and subject to such terms as the court imposes. R.S.O. 1970, c. 53, s. 226.

Provision for  
discharge and  
distribution by  
the court

**215.**—(1) Where the realization and distribution of the property of a corporation being wound up under an order of the court has proceeded so far that in the opinion of the court it is expedient that the liquidator should be discharged and that the property of the corporation remaining in his hands can be better realized and distributed by the court, the court may make an order discharging the liquidator and for payment, delivery and transfer into court, or to such person as the court directs, of such property, and it shall be realized and distributed by or under the direction of the court among the persons entitled thereto in the same way as nearly as may be as if the distribution were being made by the liquidator.

Disposal of  
documents and  
records

(2) In such case, the court may make an order directing how the documents and records of the corporation and of the liquidator are to be disposed of, and may order that they be deposited in court or otherwise dealt with as the court thinks fit. R.S.O. 1970, c. 53, s. 227.

Order for  
dissolution

**216.**—(1) The court at any time after the business and affairs of the corporation have been fully wound up may, upon the application of the liquidator or any other person interested, make an order dissolving it, and it is dissolved on the date fixed in the order.

Copy of dissol-  
ution order to  
be filed

(2) The person on whose application the order was made shall within ten days after it was made file with the Director a certified copy of the order and shall forthwith publish notice of the order in *The Ontario Gazette*. R.S.O. 1970, c. 53, s. 228, *amended*.

Application of  
ss. 218-234

**217.** Sections 218 to 234 apply to corporations being wound up voluntarily or by order of the court. R.S.O. 1970, c. 53, s. 229.

**218.** Where there is no liquidator,Where no  
liquidator

- (a) the court may by order on the application of a shareholder of the corporation appoint one or more persons as liquidator; and
- (b) the estate and effects of the corporation shall be under the control of the court until the appointment of a liquidator. R.S.O. 1970, c. 53, s. 230.

**219.**—(1) Upon a winding up,Consequences  
of winding up

- (a) the liquidator shall apply the property of the corporation in satisfaction of all its debts, obligations and liabilities and, subject thereto, shall distribute the property rateably among the shareholders according to their rights and interests in the corporation;
- (b) in distributing the property of the corporation, debts to employees of the corporation for services performed for it due at the commencement of the winding up or within one month before, not exceeding three months' wages and vacation pay accrued for not more than twelve months, shall be paid in priority to the claims of the ordinary creditors, and such persons are entitled to rank as ordinary creditors for the residue of their claims;
- (c) all the powers of the directors cease upon the appointment of a liquidator, except in so far as the liquidator may sanction the continuance of such powers.

(2) Section 53 of *The Trustee Act* applies with necessary modifications to liquidators. R.S.O. 1970, c. 53, s. 231.

Distribution of  
property

**220.** The costs, charges and expenses of a winding up, including the remuneration of the liquidator, are payable out of the property of the corporation in priority to all other claims. R.S.O. 1970, c. 53, s. 232.

Payment of  
costs and  
expenses**221.**—(1) A liquidator may,Powers of  
liquidators

- (a) bring or defend any action, suit or prosecution, or other legal proceedings, civil or criminal, in the name and on behalf of the corporation;
- (b) carry on the business of the corporation so far as may be required as beneficial for the winding up of the corporation;

- (c) sell the property of the corporation by public auction or private sale and receive payment of the purchase price either in cash or otherwise;
- (d) do all acts and execute, in the name and on behalf of the corporation, all documents, and for that purpose use the seal of the corporation, if any;
- (e) draw, accept, make and endorse any bill of exchange or promissory note in the name and on behalf of the corporation;
- (f) raise upon the security of the property of the corporation any requisite money;
- (g) take out in his official name letters of administration of the estate of any deceased contributory and do in his official name any other act that is necessary for obtaining payment of any money due from a contributory or from his estate and which act cannot be done conveniently in the name of the corporation; and
- (h) do and execute all such other things as are necessary for winding up the business and affairs of the corporation and distributing its property.

Bills of exchange, etc., to be deemed drawn in the course of business

(2) The drawing, accepting, making or endorsing of a bill of exchange or promissory note by the liquidator on behalf of a corporation has the same effect with respect to the liability of the corporation as if such bill or note had been drawn, accepted, made or endorsed by or on behalf of the corporation in the course of carrying on its business.

Where moneys deemed to be due to liquidator

(3) Where the liquidator takes out letters of administration or otherwise uses his official name for obtaining payment of any money due from a contributory, such money shall be deemed, for the purpose of enabling him to take out such letters or recover such money, to be due to the liquidator himself.

What liquidator may rely upon

(4) Where he does so in good faith, a liquidator is entitled to rely upon,

- (a) financial statements of the corporation represented to him by an officer of the corporation or in a written report of the auditor of the corporation to present fairly the financial position of the corporation in accordance with generally accepted accounting principles; or
- (b) an opinion, a report or a statement of a lawyer, an accountant, an engineer, an appraiser or other profes-



sional adviser retained by the liquidator. R.S.O. 1970, c. 53, s. 233, *amended*.

**222.** Where more than one person is appointed as liquidator, any power conferred by sections 191 to 234 on a liquidator may be exercised by such one or more of such persons as may be determined by the resolution or order appointing them or, in default of such determination, by any number of them not fewer than two. R.S.O. 1970, c. 53, s. 234.

Acts by more than one liquidator

**223.** The liability of a contributory creates a debt accruing due from him at the time his liability commenced, but payable at the time or respective times when calls are made for enforcing such liability. R.S.O. 1970, c. 53, s. 235.

Nature of liability of contributory

**224.** If a contributory dies before or after he has been placed on the list of contributories, his personal representative is liable in due course of administration to contribute to the property of the corporation in discharge of the liability of the deceased contributory and shall be a contributory accordingly. R.S.O. 1970, c. 53, s. 236.

Liability in case of his death

**225.**—(1) The liquidator shall deposit all moneys that he has belonging to the corporation and amounting to \$100 or more in any chartered bank of Canada or in the Province of Ontario Savings Office or in any trust company or loan corporation that is registered under *The Loan and Trust Corporations Act* or in any other depository approved by the court. R.S.O. 1970, c. 53, s. 231 (1), *amended*.

Deposit of moneys

R.S.O. 1970, c. 254

(2) If inspectors have been appointed, the depository under subsection 1 shall be one approved by them.

Approval by inspectors

(3) Such deposit shall not be made in the name of the liquidator individually, but a separate deposit account shall be kept of the money belonging to the corporation in his name as liquidator of the corporation and in the name of the inspectors, if any, and such money shall be withdrawn only by order for payment signed by the liquidator and one of the inspectors, if any.

Separate deposit account to be kept; withdrawal from account

(4) At every meeting of the shareholders of the corporation, the liquidator shall produce a pass-book, or statement of account showing the amount of the deposits, the dates at which they were made, the amounts withdrawn and the dates of withdrawal, and mention of such production shall be made in the minutes of the meeting, and the absence of such mention is admissible in evidence as *prima facie* proof that the pass-book or statement of account was not produced at the meeting.

Liquidator to produce bank pass-book

Idem

(5) The liquidator shall also produce the pass-book or statement of account whenever so ordered by the court upon the application of the inspectors, if any, or of a shareholder of the corporation. R.S.O. 1970, c. 53, s. 231 (2-5).

Proving claim  
R.S.O. 1970,  
c. 34

**226.** For the purpose of proving claims, sections 23, 24 and 25 of *The Assignments and Preferences Act* apply with necessary modifications, except that where the word "judge" is used therein, the word "court" as used in this Act shall be substituted. R.S.O. 1970, c. 53, s. 238.

Application  
for direction

**227.** Upon the application of the liquidator or of the inspectors, if any, or of any creditors, the court, after hearing such parties as it directs to be notified or after such steps as the court prescribes have been taken, may by order give its direction in any matter arising in the winding up. R.S.O. 1970, c. 53, s. 239.

Examination  
of persons  
as to  
estate

**228.**—(1) The court may at any time after the commencement of the winding up summon to appear before the court or liquidator any director, officer or employee of the corporation or any other person known or suspected to have in his possession any of the estate or effects of the corporation, or alleged to be indebted to it, or any person whom the court thinks capable of giving information concerning its trade, dealings, estate or effects.

Damages  
against  
delinquent  
directors,  
etc.

(2) Where in the course of the winding up it appears that a person who has taken part in the formation or promotion of the corporation or that a past or present director, officer, employee, liquidator or receiver of the corporation has misapplied or retained in his own hands, or become liable or accountable for, property of the corporation, or has committed any misfeasance or breach of trust in relation to it, the court may, on the application of the liquidator or of any creditor, shareholder or contributory, examine the conduct of that person and order him to restore the property so misapplied or retained, or for which he has become liable or accountable, or to contribute such sum to the property of the corporation by way of compensation in respect of such misapplication, retention, misfeasance or breach of trust, or both, as the court thinks just. R.S.O. 1970, c. 53, s. 240.

Proceedings  
by  
shareholders

**229.**—(1) Where a shareholder of the corporation desires to cause any proceeding to be taken that, in his opinion, would be for the benefit of the corporation, and the liquidator, under the authority of the shareholders or of the inspectors, if any, refuses or neglects to take such proceedings after being required so to do, the shareholder may obtain an order of the court authorizing him to take such proceeding in the name of the liquidator or corporation, but at his own expense and risk, upon such terms and conditions as to indemnity to the liquidator or corporation as the court prescribes.



(2) Any benefit derived from a proceeding under subsection 1 belongs exclusively to the shareholder causing the institution of the proceeding for his benefit and that of any other shareholder who has joined him in causing the institution of the proceeding. Benefits: when for shareholders

(3) If, before the order is granted, the liquidator signifies to the court his readiness to institute the proceeding for the benefit of the corporation, the court shall make an order prescribing the time within which he is to do so, and in that case the advantage derived from the proceeding, if instituted within such time, belongs to the corporation. R.S.O. 1970, c. 53, s. 241. when for corporation

**230.** The rights conferred by this Act are in addition to any other right to institute proceedings against any contributory, or against any debtor of the corporation, for the recovery of any sum due from such contributory or debtor or his estate. R.S.O. 1970, c. 53, s. 242. Rights conferred by Act to be in addition to other powers

**231.** At any time during a winding up, the court, upon the application of a shareholder, creditor or contributory and upon proof to its satisfaction that all proceedings in relation to the winding up ought to be stayed, may make an order staying the proceedings altogether or for a limited time on such terms and subject to such conditions as the court thinks fit. R.S.O. 1970, c. 53, s. 243. Stay of winding up proceedings

**232.**—(1) Where the liquidator is unable to pay all the debts of the corporation because a creditor is unknown or his whereabouts is unknown, the liquidator may, by agreement with the Public Trustee, pay to the Public Trustee an amount equal to the amount of the debt due to the creditor to be held in trust for the creditor, and thereupon subsections 5 and 6 of section 236 apply thereto. Where creditor unknown

(2) A payment under subsection 1 shall be deemed to be in satisfaction of the debt for the purposes of winding up. R.S.O. 1970, c. 53, s. 244. Idem

**233.**—(1) Where the liquidator is unable to distribute rateably the property of the corporation among the shareholders because a shareholder is unknown or his whereabouts is unknown, the share of the property of the corporation of such shareholder may, by agreement with the Public Trustee, be delivered or conveyed by the liquidator to the Public Trustee to be held in trust for the shareholder, and thereupon subsections 5 and 6 of section 236 apply thereto. Where shareholder unknown

(2) A delivery or conveyance under subsection 1 shall be deemed to be a distribution to that shareholder of his rateable Idem

share for the purposes of the winding up. R.S.O. 1970, c. 53, s. 245.

Disposal of  
records, etc.,  
after  
winding up

**234.**—(1) Where a corporation has been wound up under sections 190 to 233 and is about to be dissolved, its documents and records and those of the liquidator may be disposed of as it by resolution directs in case of voluntary winding up, or as the court directs in case of winding up under an order.

When  
responsibility  
as to custody  
of records,  
etc., to cease

(2) After the expiration of five years from the date of the dissolution of the corporation, no responsibility rests on it or the liquidator, or anyone to whom the custody of the documents and records has been committed, by reason that the same or any of them are not forthcoming to any person claiming to be interested therein. R.S.O. 1970, c. 53, s. 246.

Voluntary  
dissolution

**235.** A corporation may be dissolved upon the authorization of,

- (a) a special resolution passed at a meeting of the shareholders of the corporation duly called for the purpose or, in the case of a corporation that is not an offering corporation, by such other proportion of the votes cast as the articles provide, but such other proportion shall not be less than 50 per cent of the votes of all the shareholders entitled to vote at the meeting;
- (b) the consent in writing of all the shareholders entitled to vote at such meeting; or
- (c) all its incorporators or their personal representatives at any time within two years after the date set out in its certificate of incorporation where the corporation has not commenced business and has not issued any shares. R.S.O. 1970, c. 53, s. 247; 1971, c. 26, s. 38, *amended*.

Articles of  
dissolution  
where  
corporation  
active

**236.**—(1) For the purpose of bringing the dissolution authorized under clause *a* or *b* of section 235 into effect, articles of dissolution shall follow the prescribed form and shall set out,

- (a) the name of the corporation;
- (b) that its dissolution has been duly authorized under clause *a* or *b* of section 235;
- (c) that it has no debts, obligations or liabilities or its debts, obligations or liabilities have been duly provided for in accordance with subsection 3 or its creditors or other

persons having interests in its debts, obligations or liabilities consent to its dissolution;

- (d) that after satisfying the interests of creditors in all its debts, obligations and liabilities, if any, it has no property to distribute among its shareholders or that it has distributed its remaining property rateably among its shareholders according to their rights and interests in the corporation or in accordance with subsection 4 where applicable;
- (e) that there are no proceedings pending in any court against it; and
- (f) that it has given notice of its intention to dissolve by publication once in *The Ontario Gazette* and once in a newspaper having general circulation in the place where it has its principal place of business in Ontario or, if it does not have a place of business in Ontario, where it has its registered office. 1979, c. 36, s. 18 (1), *amended*.

(2) For the purpose of bringing a dissolution authorized under clause c of section 235 into effect, articles of dissolution shall follow the prescribed form and shall set out,

Articles of  
dissolution  
where  
corporation  
never active

- (a) the name of the corporation,
- (b) the date set out in its certificate of incorporation;
- (c) that the corporation has not commenced business;
- (d) that none of its shares has been issued;
- (e) that dissolution has been duly authorized under clause c of section 235;
- (f) that it has no debts, obligations or liabilities;
- (g) that after satisfying the interests of creditors in all its debts, obligations and liabilities, if any, it has no property to distribute or that it has distributed its remaining property to the persons entitled thereto;
- (h) that there are no proceedings pending in any court against it; and
- (i) that it has given notice of its intention to dissolve by publication once in *The Ontario Gazette* and once in a newspaper having general circulation in the place where

it has its registered office. R.S.O. 1970, c. 53, s. 248 (2); 1971, c. 26, s. 39; 1979, c. 36, s. 18 (2), *amended*.

Where creditor  
unknown

(3) Where a corporation authorizes its dissolution and a creditor is unknown or his whereabouts is unknown, the corporation may, by agreement with the Public Trustee, pay to the Public Trustee an amount equal to the amount of the debt due to the creditor to be held in trust for the creditor, and such payment shall be deemed to be due provision for the debt for the purposes of clause *c* of subsection 1.

Where  
shareholder  
unknown

(4) Where a corporation authorizes its dissolution and a shareholder is unknown or his whereabouts is unknown, it may, by agreement with the Public Trustee, deliver or convey his share of the property to the Public Trustee to be held in trust for him, and such delivery or conveyance shall be deemed to be a distribution to that shareholder of his rateable share for the purposes of the dissolution.

Power to  
convert

(5) If the share of the property so delivered or conveyed to the Public Trustee under subsection 4 is in a form other than cash, the Public Trustee may at any time, and within ten years after such delivery or conveyance shall, convert it into cash.

Payment to  
person entitled

(6) If the amount paid under subsection 3 or the share of the property delivered or conveyed under subsection 4 or its equivalent in cash, as the case may be, is claimed by the person beneficially entitled thereto within ten years after it was so delivered, conveyed or paid, it shall be delivered, conveyed or paid to him, but, if not so claimed, it vests in the Public Trustee for the use of Ontario, and, if the person beneficially entitled thereto at any time thereafter establishes his right thereto to the satisfaction of the Lieutenant Governor in Council, an amount equal to the amount so vested in the Public Trustee shall be paid to him. R.S.O. 1970, c. 53, s. 248 (3-6).

Certificate of  
dissolution

**237.**—(1) Upon receipt of the articles of dissolution, the Director shall endorse thereon in accordance with section 271 a certificate which shall constitute the certificate of dissolution.

Incorporators  
to sign articles  
of dissolution  
where corpor-  
ation did not  
commence  
business

(2) Notwithstanding clause *a* of subsection 1 of section 271, articles of dissolution for the purposes of subsection 2 of section 236 shall be signed by all its incorporators or their personal representatives. 1979, c. 36, s. 19, *part, amended*.

Cancellation of  
certificate, etc.,  
by Director

**238.**—(1) Where sufficient cause is shown to the Director, notwithstanding the imposition of any other penalty in respect

thereof and in addition to any rights he may have under this or any other Act, he may, after he has given the corporation an opportunity to be heard, by order, upon such terms and conditions as he thinks fit, cancel a certificate of incorporation or any other certificate issued by him under this Act, and,

- (a) in the case of the cancellation of a certificate of incorporation, the corporation is dissolved on the date fixed in the order; and
- (b) in the case of the cancellation of any other certificate, the matter that became effective upon the issuance of the certificate ceases to be in effect from the date fixed in the order. 1979, c. 36, s. 19, *part*.

(2) In this section, “sufficient cause” with respect to cancellation of a certificate of incorporation includes, Interpretation

- (a) failure to pay the prescribed fee for incorporation;
- (b) failure to comply with subsection 2 of section 114 or subsection 3 of section 117; or
- (c) failure to comply with a request under section 5 or a notice under section 8 of *The Corporations Information Act*, 1976. 1976, c. 66

**239.**—(1) Where the Director is notified by the Minister of Revenue that a corporation is in default in complying with the provisions of *The Corporations Tax Act*, 1972, the Director may give notice by registered mail to the corporation or by publication once in *The Ontario Gazette* that an order dissolving the corporation will be issued unless the corporation remedies its default within ninety days after the giving of the notice. Notice of dissolution  
1972, c. 143

(2) Where the Director is notified by the Commission that a corporation has not complied with sections 76 and 77 of *The Securities Act*, 1978, the Director may give notice by registered mail to the corporation or by publication once in *The Ontario Gazette* that an order dissolving the corporation will be issued unless the corporation complies with sections 76 and 77 of *The Securities Act*, 1978 within ninety days after the giving of the notice. Idem  
1978, c. 43

(3) Upon default in compliance with the notice given under subsection 1 or 2, the Director may by order cancel the certificate of incorporation and, subject to subsection 4, the corporation is dissolved on the date fixed in the order. Order for dissolution



Revival

(4) Where a corporation is dissolved under subsection 3 or any predecessor thereof, the Director on the application of any interested person immediately before the dissolution, made within five years after the date of dissolution, may, in his discretion, on such terms and conditions as he sees fit to impose, revive the corporation and thereupon the corporation, subject to the terms and conditions imposed by the Director and to any rights acquired by any person after its dissolution, is restored to its legal position, including all its property, rights and privileges and franchises, and is subject to all its liabilities, contracts, disabilities and debts, as of the date of its dissolution, in the same manner and to the same extent as if it had not been dissolved.

Articles of  
revival

(5) The application referred to in subsection 4 shall be in the form of articles of revival which shall be in prescribed form.

Certificate  
of revival

(6) Upon receipt of articles of revival and any other prescribed documents, the Director, subject to subsection 4, shall endorse thereon in accordance with section 271 a certificate which shall constitute the certificate of revival. 1976, c. 67, s. 1; 1978, c. 49, s. 13, *amended*.

Actions  
after  
dissolution

**240.**—(1) Notwithstanding the dissolution of a corporation under section 237, 238 or 239,

- (a) a civil, criminal or administrative action or proceeding commenced by or against the corporation before its dissolution may be continued as if the corporation had not been dissolved;
- (b) a civil, criminal or administrative action or proceeding may be brought against the corporation within five years after its dissolution as if the corporation had not been dissolved; and
- (c) any property that would have been available to satisfy any judgment or order if the corporation had not been dissolved remains available for such purpose.

Service  
after  
dissolution

(2) For the purposes of this section, the service of any process on a corporation after its dissolution shall be deemed to be sufficiently made if it is made upon any person last shown on the records of the Ministry as being a director or officer of the corporation before the dissolution. R.S.O. 1970, c. 53, s. 252 (2).

Idem

(3) Where an action, suit or other proceeding has been brought against a corporation after its dissolution, notice of the commencement of the action, suit or other proceeding, together with the writ or other document by which the action, suit or other proceeding was commenced, shall be served upon the Public Trustee. *New*.

**241.**—(1) Notwithstanding the dissolution of a corporation, each shareholder to whom any of its property has been distributed is liable to any person claiming under section 240 to the extent of the amount received by that shareholder upon the distribution, and an action to enforce such liability may be brought within five years after the date of the dissolution of the corporation. Liability of shareholders to creditors

(2) The court may order an action referred to in subsection 1 to be brought against the persons who were shareholders as a class, subject to such conditions as the court thinks fit and, if the plaintiff establishes his claim, the court may refer the proceedings to a referee or other officer of the court who may, Party action

(a) add as a party to the proceedings before him each person who was a shareholder found by the plaintiff;

(b) determine, subject to subsection 1, the amount that each person who was a shareholder shall contribute towards satisfaction of the plaintiff's claim; and

(c) direct payment of the amounts so determined.

(3) In this section, "shareholder" includes the heirs and legal representatives of a shareholder. R.S.O. 1970, c. 53, s. 253, *amended*. Interpretation

**242.**—(1) Any property of a corporation that has not been disposed of at the date of its dissolution is immediately upon such dissolution forfeit to the Crown. R.S.O. 1970, c. 53, s. 254, *amended*. Forfeiture of undispensed property

(2) Where judgment is given or an order or decision is made in an action, suit or proceeding commenced in accordance with the provisions of section 240 and the judgment, order or decision affects property formerly belonging to the corporation, the property, notwithstanding subsection 1, shall be available to satisfy the judgment, order or other decision unless the plaintiff or applicant has failed to give notice to the Public Trustee in accordance with subsection 3 of section 240. *New*. Exception

## PART XVI

### REMEDIES, OFFENCES AND PENALTIES

**243.** In this Part,

Interpretation

(a) "action" means an action under this Act;

(b) "complainant" means,



- (i) a registered holder or beneficial owner, and a former registered holder or beneficial owner, of a security of a corporation or any of its affiliates,
- (ii) a director or an officer or a former director or officer of a corporation or of any of its affiliates,
- (iii) any other person who, in the discretion of the court, is a proper person to make an application under this Part. *New.*

Derivative  
actions

**244.**—(1) Subject to subsection 2, a complainant may apply to the court for leave to bring an action in the name and on behalf of a corporation or any of its subsidiaries, or intervene in an action to which any such body corporate is a party, for the purpose of prosecuting, defending or discontinuing the action on behalf of the body corporate.

Idem

(2) No action may be brought and no intervention in an action may be made under subsection 1 unless the complainant has given fourteen days' notice to the directors of the corporation or its subsidiary of his intention to apply to the court under subsection 1 and the court is satisfied that,

- (a) the directors of the corporation or its subsidiary will not bring, diligently prosecute or defend or discontinue the action;
- (b) the complainant is acting in good faith; and
- (c) it appears to be in the interests of the corporation or its subsidiary that the action be brought, prosecuted, defended or discontinued.

*Ex parte*  
application

(3) Where a complainant on an *ex parte* application can establish to the satisfaction of the court that it is not expedient to give notice as required under clause *a* of subsection 2, the court may make such interim order as it thinks fit pending the complainant giving notice as required.

Interim  
order

(4) Where a complainant on an application can establish to the satisfaction of the court that an interim order for relief should be made, the court may make such order as it thinks fit. R.S.O. 1970, c. 53, s. 99 (1, 2), *amended*.

Court  
order

**245.** In connection with an action brought or intervened in under section 244, the court may at any time make any order it thinks fit including, without limiting the generality of the foregoing,

- (a) an order authorizing the complainant or any other person to control the conduct of the action;
- (b) an order giving directions for the conduct of the action;
- (c) an order directing that any amount adjudged payable by a defendant in the action shall be paid, in whole or in part, directly to former and present security holders of the corporation or its subsidiary instead of to the corporation or its subsidiary; and
- (d) an order requiring the corporation or its subsidiary to pay reasonable legal fees and any other costs reasonably incurred by the complainant in connection with the action. R.S.O. 1970, c. 53, s. 99 (3), *amended*.

**246.**—(1) A complainant and, in the case of an offering corporation, the Commission may apply to the court for an order under this section. Application to court: oppression remedy

(2) Where, upon an application under subsection 1, the court is satisfied that in respect of a corporation or any of its affiliates, Idem

- (a) any act or omission of the corporation or any of its affiliates effects or threatens to effect a result;
- (b) the business or affairs of the corporation or any of its affiliates are, have been or are threatened to be carried on or conducted in a manner; or
- (c) the powers of the directors of the corporation or any of its affiliates are, have been or are threatened to be exercised in a manner,

that is oppressive or unfairly prejudicial to or that unfairly disregards the interests of any security holder, creditor, director or officer of the corporation, the court may make an order to rectify the matters complained of.

(3) In connection with an application under this section, the court may make any interim or final order it thinks fit including, without limiting the generality of the foregoing, Court order

- (a) an order restraining the conduct complained of;
- (b) an order appointing a receiver or receiver-manager;
- (c) an order to regulate a corporation's affairs by amending the articles or by-laws or creating or amending a unanimous shareholder agreement;

- (d) an order directing an issue or exchange of securities;
- (e) an order appointing directors in place of or in addition to all or any of the directors then in office;
- (f) an order directing a corporation, subject to subsection 6, or any other person, to purchase securities of a security holder;
- (g) an order directing a corporation, subject to subsection 6, or any other person, to pay to a security holder any part of the moneys paid by him for securities;
- (h) an order varying or setting aside a transaction or contract to which a corporation is a party and compensating the corporation or any other party to the transaction or contract;
- (i) an order requiring a corporation, within a time specified by the court, to produce to the court or an interested person financial statements in the form required by section 152 or an accounting in such other form as the court may determine;
- (j) an order compensating an aggrieved person;
- (k) an order directing rectification of the registers or other records of a corporation under section 248;
- (l) an order winding up the corporation under section 205;
- (m) an order directing an investigation under Part XII be made; and
- (n) an order requiring the trial of any issue.

Idem

(4) Where an order made under this section directs amendment of the articles or by-laws of a corporation,

- (a) the directors shall forthwith comply with subsection 4 of section 184; and
- (b) no other amendment to the articles or by-laws shall be made without the consent of the court, until the court otherwise orders.

Shareholder  
may not  
dissent

(5) A shareholder is not entitled to dissent under section 183 if an amendment to the articles is effected under this section.

(6) A corporation shall not make a payment to a shareholder under clause *f* or *g* of subsection 3 if there are reasonable grounds for believing that,

Where  
corporation  
prohibited  
from  
paying  
shareholder

(a) the corporation is or, after the payment, would be unable to pay its liabilities as they become due; or

(b) the realizable value of the corporation's assets would thereby be less than the aggregate of its liabilities.  
*New.*

**247.**—(1) An application made or an action brought or intervened in under this Part shall not be stayed or dismissed by reason only that it is shown that an alleged breach of a right or duty owed to the corporation or its affiliate has been or may be approved by the shareholders of such body corporate, but evidence of approval by the shareholders may be taken into account by the court in making an order under section 205, 245 or 246. R.S.O. 1970, c. 53, s. 99 (6), *amended*.

Discontinu-  
ance and  
settlement

(2) An application made or an action brought or intervened in under this Part shall not be stayed, discontinued, settled or dismissed for want of prosecution without the approval of the court given upon such terms as the court thinks fit and, if the court determines that the interests of any complainant may be substantially affected by such stay, discontinuance, settlement or dismissal, the court may order any party to the application or action to give notice to the complainant.

*Idem*

(3) A complainant is not required to give security for costs in any application made or action brought or intervened in under this Part.

Costs

(4) In an application made or an action brought or intervened in under this Part, the court may at any time order the corporation or its affiliate to pay to the complainant interim costs, including reasonable legal fees and disbursements, for which interim costs the complainant may be held accountable to the corporation or its affiliate upon final disposition of the application or action. R.S.O. 1970, c. 53, s. 99 (3, 4), *amended*.

*Idem*

**248.**—(1) Where the name of a person is alleged to be or have been wrongly entered or retained in, or wrongly deleted or wrongly omitted from, the registers or other records of a corporation, the corporation, a security holder of the corporation or any aggrieved person may apply to the court for an order that the registers or records be rectified.

Rectifying  
error in  
entering, etc.,  
name

Idem

(2) In connection with an application under this section, the court may make any order it thinks fit including, without limiting the generality of the foregoing,

- (a) an order requiring the registers or other records of the corporation to be rectified;
- (b) an order restraining the corporation from calling or holding a meeting of shareholders or paying a dividend or making any other distribution or payment to shareholders before the rectification;
- (c) an order determining the right of a party to the proceedings to have his name entered or retained in, or deleted or omitted from, the registers or records of the corporation, whether the issue arises between two or more security holders, or between the corporation and any security holders or alleged security holders;
- (d) an order compensating a party who has incurred a loss. R.S.O. 1970, c. 53, s. 166, *amended*.

Notice of  
refusal  
to file

**249.**—(1) Where the Director refuses to endorse a certificate on articles or any other document required by this Act to be endorsed with a certificate by him before it becomes effective, he shall give written notice to the person who delivered the articles or other document of his refusal, specifying the reasons therefor.

Failure to  
act deemed  
refusal

(2) Where, within six months after the delivery to the Director of articles or other documents referred to in subsection 1, the Director has not endorsed a certificate on such articles or other document, he shall be deemed for the purposes of section 250 to have refused to endorse it. 1979, c. 36, s. 23, *amended*.

Appeal from  
Director

**250.**—(1) A person who feels aggrieved by a decision of the Director,

- (a) to refuse to endorse a certificate on articles or on any other document;
- (b) to issue or to refuse to issue a certificate of amendment under section 12;
- (c) to refuse to grant an order under section 143;
- (d) to grant or refuse to grant exemption under section 147;
- (e) to refuse to endorse an authorization under section 179;  
or



(f) to issue an order under section 238,

may appeal to the court. 1979, c. 36, s. 24 (1), *amended*.

(2) Every appeal shall be by notice of motion sent by registered mail to the Director within thirty days after the mailing of the notice of the decision, and the practice and procedure upon and in relation to the appeal shall be the same as upon an appeal from a judgment of a judge of the Supreme Court in an action, provided that the Rules Committee may vary or amend the practice and procedure applicable to appeals taken under this Act.

Form of  
appeal

(3) The Director shall certify to the Registrar of the Supreme Court,

Certificate  
of  
Director

(a) the decision of the Director together with a statement of the reasons therefor;

(b) the record of any hearing; and

(c) all written submissions to the Director or other material that is relevant to the appeal.

(4) The Director is entitled to be heard, by counsel or otherwise, upon the argument of an appeal under this section.

Representation

(5) Where an appeal is taken under this section, the court may by its order direct the Director to make such decision or to do such other act as the Director is authorized and empowered to do under this Act and as the court thinks proper, having regard to the material and submissions before it and to this Act, and the Director shall make such decision or do such act accordingly.

Court  
order

(6) Notwithstanding an order of the court under subsection 5, the Director has power to make any further decision upon new material or where there is a material change in the circumstances, and every such decision is subject to this section. R.S.O. 1970, c. 53, s. 268 (2-6); 1979, c. 36, s. 24 (2, 3), *amended*.

Director may  
make further  
decision

**251.**—(1) Where a corporation or any shareholder, director, officer, employee, agent, auditor, trustee, receiver and manager, receiver, or liquidator of a corporation does not comply with this Act, the regulations, articles, by-laws, or a unanimous shareholder agreement, a complainant or a creditor of the corporation may, notwithstanding the imposition of any penalty in respect of such non-compliance and in addition to any other right he has, apply to the court for an order directing the corporation or any person to comply with, or restraining the corporation or any

Orders for  
compliance

person from acting in breach of, any provisions thereof, and upon such application the court may so order and make any further order it thinks fit.

Idem

(2) Where it appears to the Commission that any person to whom section 110 or subsection 1 of section 111 applies has failed to comply with or is contravening either or both of such provisions, notwithstanding the imposition of any penalty in respect of such non-compliance or contravention, the Commission may apply to the court and the court may, upon such application, make any order it thinks fit including, without limiting the generality of the foregoing,

- (a) an order restraining a solicitation, the holding of a meeting or any person from implementing or acting upon any resolution passed at a meeting, to which such non-compliance with or contravention of section 110 or subsection 1 of section 111 relates;
- (b) an order requiring correction of any form of proxy or information circular and a further solicitation; or
- (c) an order adjourning the meeting to which such non-compliance with or contravention of section 110 or subsection 1 of section 111 relates. R.S.O. 1970, c. 53, s. 261, *amended*.

*Ex parte*  
application

**252.** Where this Act states that a person may apply to the court, that person may apply for injunctive relief *ex parte* as the rules of the court provide. *New*.

Appeal from  
Court

**253.** An appeal lies to the Court of Appeal from any order made by the court under this Act. R.S.O. 1970, c. 53, s. 270.

Interpre-  
tation

**254.—(1)** In this section, “misrepresentation” means,

- (a) an untrue statement of material fact; or
- (b) an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in the light of the circumstances in which it was made.

Offence, false  
statements,  
etc.

(2) Every person who,

- (a) makes or assists in making a statement in any material, evidence or information submitted or given under this



Act or the regulations to the Director, his delegate or the Commission or any person appointed to make an investigation or audit under this Act that, at the time and in the light of the circumstances under which it is made, is a misrepresentation;

- (b) makes or assists in making a statement in any application, articles, consent, financial statement, information circular, notice, report or other document required to be filed with, furnished or sent to the Director or the Commission under this Act or the regulations that, at the time and in the light of the circumstances under which it is made, is a misrepresentation;
- (c) fails to file with the Director or the Commission any document required by this Act to be filed with him or the Commission; or
- (d) fails to observe or to comply with any direction, decision, ruling, order or other requirement made by the Director or the Commission under this Act or the regulations,

is guilty of an offence and on conviction is liable to a fine of not more than \$2,000 or to imprisonment for a term of not more than one year, or to both, or, if such person is a body corporate, to a fine of not more than \$25,000.

(3) Where a body corporate is guilty of an offence under subsection 2, every director or officer of such body corporate who, without reasonable cause, authorized, permitted or acquiesced in the offence is also guilty of an offence and on conviction is liable to a fine of not more than \$2,000 or to imprisonment for a term of not more than one year, or to both. Idem

(4) No person is guilty of an offence under clause *a* or *b* of subsection 2 if he did not know and in the exercise of reasonable diligence could not have known that the statement was a misrepresentation. R.S.O. 1970, c. 53, ss. 256 (1, 2), 257, 259 (2). Defence

**255.** No proceeding under section 254 shall be commenced except with the consent or under the direction of the Minister. R.S.O. 1970, c. 53, s. 258. Consent

**256.—**(1) Every person who, Offence

- (a) without reasonable cause uses a list of holders of securities in contravention of subsection 5 of section 51 or subsection 8 of section 145;

- (b) fails without reasonable cause to send a prescribed form of proxy to each shareholder of an offering corporation with notice of a meeting of shareholders in contravention of subsection 1 of section 110;
- (c) fails without reasonable cause to send an information circular in connection with a proxy solicitation in contravention of subsection 1 of section 111;
- (d) being a proxyholder or alternate proxyholder, fails without reasonable cause, to comply with the directions of the shareholder who appointed him in contravention of subsection 1 of section 113;
- (e) without reasonable cause contravenes section 144;
- (f) being a director of a corporation, fails, without reasonable cause, to appoint an auditor or auditors, as the case may be, under subsection 1 of section 148;
- (g) being an auditor or former auditor of a corporation fails without reasonable cause to comply with subsection 2 of section 149;
- (h) fails without reasonable cause to comply with subsection 1 of section 152; or
- (i) otherwise without reasonable cause commits an act contrary to or fails or neglects to comply with any provision of this Act or the regulations,

is guilty of an offence and on conviction is liable to a fine of not more than \$2,000 or to imprisonment for a term of not more than one year, or to both, or if such person is a body corporate, to a fine of not more than \$25,000.

Idem

(2) Where a body corporate is guilty of an offence under subsection 1, every director or officer of such body corporate who, without reasonable cause, authorized, permitted or acquiesced in such offence is also guilty of an offence and on conviction is liable to a fine of not more than \$2,000 or to imprisonment for a term of not more than one year, or to both. *New.*

Limitation

**257.**—(1) No proceeding under section 254 or under clause *h* of subsection 1 of section 256 for a contravention of section 143 shall be commenced more than two years after the facts upon which the proceedings are based first came to the knowledge of the Director as certified by him.

Idem

(2) Subject to subsection 1, no proceeding for an offence under this Act or the regulations shall be commenced more than two

years after the time when the subject-matter of the offence arose. R.S.O. 1970, c. 53, s. 260; 1978, c. 49, s. 14, *amended*.

**258.** An information in respect of any contravention of this Act may be for one or more offences and no information, summons, warrant, conviction or other proceeding in any prosecution is objectionable as insufficient by reason of the fact that it relates to two or more offences. *New.* Information containing more than one offence

**259.**—(1) Where a person is guilty of an offence under this Act or the regulations, any court in which proceedings in respect of the offence are taken may, in addition to any penalty it may impose, order that person to comply with the provisions of the Act or the regulations for the contravention of which he has been convicted. Additional powers of court

(2) No civil remedy for an act or omission is suspended or affected by reason that the act or omission is an offence under this Act. *New.* Civil remedy not affected

## PART XVII

### GENERAL

**260.**—(1) A notice or document required by this Act, the regulations, the articles or the by-laws to be sent to a shareholder or director of a corporation may be sent by prepaid mail addressed to, or may be delivered personally to, Notice to directors or shareholders

(a) a shareholder at his latest address as shown in the records of the corporation or its transfer agent; and

(b) a director at his latest address as shown in the records of the corporation or in the most recent notice filed under *The Corporations Information Act, 1976*, whichever is the more current. 1976, c. 66

(2) A notice or document sent in accordance with subsection 1 to a shareholder or director of a corporation is deemed to be received by the addressee on the fifth day after mailing. Idem

(3) A director named in the articles or the most recent return or notice filed under *The Corporations Information Act, 1976*, or a predecessor thereof, is presumed for the purposes of this Act to be a director of the corporation referred to in the articles, return or notice. Director

(4) Where a corporation sends a notice or document to a shareholder in accordance with subsection 1 and the notice or document Where notice returned

is returned on three consecutive occasions because the shareholder cannot be found, the corporation is not required to send any further notices or documents to the shareholder until he informs the corporation in writing of his new address.

Application  
to court

(5) Where it is impracticable or impossible to comply with subsection 1, a person may apply to the court for such order as the court thinks fit. R.S.O. 1970, c. 53, s. 255 (1); 1972, c. 138, s. 59, *amended*.

Notice to  
corporation

**261.** Except where otherwise provided in this Act, a notice or document required to be sent to a corporation may be sent to the corporation by prepaid mail at its registered office as shown on the records of the Director or may be delivered personally to the corporation at such office and shall be deemed to be received by the corporation on the fifth day after mailing. R.S.O. 1970, c. 53, s. 255 (2), *amended*.

Waiver of  
notice and  
abridgement of  
times

**262.** Where a notice or document is required by this Act or the regulations to be sent, the notice may be waived or the time for the sending of the notice or document may be waived or abridged at any time with the consent in writing of the person entitled thereto. 1971, c. 26, s. 42, *amended*.

Delegation  
of powers  
and duties

**263.**—(1) The Director may delegate in writing any of his duties or powers under this Act to any public servant in the Ministry. *New*.

Execution of  
certificate of  
Director

(2) Where this Act requires or authorizes the Director to endorse or issue a certificate or to certify any fact, the certificate shall be signed by the Director or any other person designated by the regulations.

Certificate as  
evidence

(3) A certificate referred to in subsection 2 or a certified copy thereof, when introduced as evidence in any civil, criminal, or administrative action or proceeding, is *prima facie* proof of the facts so certified without personal appearance to prove the signature or official position of the person appearing to have signed the certificate.

Mechanical  
reproduction of  
signature

(4) For the purposes of subsections 2 and 3, any signature of the Director or any signature of an officer of the Ministry designated by the regulations may be printed or otherwise mechanically reproduced. R.S.O. 1970, c. 53, s. 266 (1, 2), *amended*.

Certificate  
that may be  
signed by  
directors, etc.

**264.**—(1) A certificate issued on behalf of a corporation stating any fact that is set out in the articles, the by-laws, a unanimous shareholder agreement, the minutes of the meetings of the directors, a committee of directors or the shareholders, or a trust in-

denture or other contract to which the corporation is a party, may be signed by a director, an officer or a transfer agent of the corporation.

(2) When introduced as evidence in any civil, criminal or administrative action or proceeding, *Prima facie evidence*

- (a) a fact stated in a certificate referred to in subsection 1;
- (b) a certified extract from a register of a corporation required to be maintained by this Act; or
- (c) a certified copy of minutes or extract from minutes of a meeting of shareholders, directors or a committee of directors of a corporation,

is, in the absence of evidence to the contrary, proof of the facts so certified without proof of the signature or official character of the person appearing to have signed the certificate.

(3) An entry in a securities register of, or a security certificate issued by, a corporation is, in the absence of evidence to the contrary, proof that the person in whose name the security is registered or whose name appears on the certificate is the owner of the securities described in the register or in the certificate, as the case may be. *Idem* *New*.

**265.** Where a notice or document is required to be sent to the Director under this Act, the Director may accept a photostatic or photographic copy thereof. *New*. *Copy of document acceptable*

**266.**—(1) The Director may require any fact relevant to the performance of his duties under this Act or the regulations to be verified by affidavit or otherwise. R.S.O. 1970, c. 53, s. 263 (1). *Proof by affidavit*

(2) For the purpose of holding a hearing under this Act, the Director may administer oaths to witnesses and require them to give evidence under oath. R.S.O. 1970, c. 53, s. 263 (2), *amended*. *Oaths at hearings*

**267.** The Director shall cause notice to be published forthwith in *The Ontario Gazette*, *Publication of notices in The Ontario Gazette*

- (a) of every endorsement of a certificate in accordance with section 271;
- (b) of every order made under subsection 3 or 4 of section 143, section 238 or subsection 3 of section 239; and



- (c) of every endorsement of a corrected certificate described in subsection 3 of section 272. 1979, c. 36, s. 20, *amended*.

Examination,  
etc., of  
documents

**268.**—(1) A person who has paid the prescribed fee is entitled during usual business hours to examine and to make copies of or extracts from any document required by this Act or the regulations to be sent to the Director or the Commission, except a report sent to the Director under subsection 2 of section 160 that the court has ordered not to be made available to the public.

Copies to be  
furnished

(2) Subject to clause *j* of subsection 1 of section 160, the Director or the Commission shall furnish any person with a copy or a certified copy of a document required by this Act or the regulations to be sent to the Director or the Commission. *New*.

Appeal from  
Commission

1978, c. 47

**269.** Any person who feels aggrieved by a decision of the Commission under this Act may appeal the decision to the court and subsections 2 to 6 of section 9 of *The Securities Act, 1978* apply to the appeal. 1978, c. 49, s. 16.

Regulations

**270.** The Lieutenant Governor in Council may make regulations respecting any matter he considers necessary for the purposes of this Act including, without limiting the generality of the foregoing, regulations,

- (a) respecting names of corporations or classes thereof, the designation, rights, privileges, restrictions or conditions attaching to shares or classes of shares of corporations, or any other matter pertaining to articles or the filing thereof;
- (b) requiring the payment of fees for any matter that the Director or the Commission is required or authorized to do under this Act, and prescribing the amounts thereof;
- (c) prescribing forms for use under this Act and providing for the use thereof;
- (d) prescribing the form and content of any notices or documents required to be filed under this Act;
- (e) designating officers of the Ministry for the purposes of endorsing certificates, issuing certificates as to any fact or certifying true copies of documents required or authorized under this Act;
- (f) prescribing the form and content of proxies and information circulars required by Part VII;

- (g) prescribing rules with respect to applications for exemptions permitted by this Act;
- (h) prohibiting the use of any words or expressions in a corporate name;
- (i) defining any word or expression used in clause *b* of subsection 1 of section 9;
- (j) prescribing requirements for the purposes of clause *c* of subsection 1 of section 9;
- (k) prescribing conditions for the purposes of subsection 2 of section 9;
- (l) prescribing the documents relating to names that shall be filed with the Director under subsection 3 of section 9;
- (m) respecting the name of a corporation under subsection 2 of section 10;
- (n) prescribing the punctuation marks and other marks that may form part of a corporate name under subsection 3 of section 10;
- (o) respecting the content of a special language provision under subsection 4 of section 10;
- (p) prescribing the form of the statutory declarations under subsection 1 of section 51 and subsection 1 of section 145;
- (q) prescribing the form and content of financial statements and interim financial statements required under this Act;
- (r) prescribing standards to be used by an auditor in making an examination of financial statements required under this Act and the manner in which the auditor shall report thereon;
- (s) prescribing exceptions under section 175;
- (t) prescribing the manner in which notice may be sent under subsection 3 of section 188. R.S.O. 1970, c. 53, s. 271; 1979, c. 36, s. 25, *amended*.

**271.—**(1) Where this Act requires that articles relating to a corporation be sent to the Director, unless otherwise specifically provided,

Where  
articles  
to be sent  
to Director



- (a) two duplicate originals of the articles shall be signed by a director or an officer of the corporation or, in the case of articles of incorporation, by an incorporator; and
- (b) upon receiving duplicate originals of any articles in the prescribed form that have been executed in accordance with this Act, any other required documents and the prescribed fees, the Director shall, subject to the discretion of the Director as provided in subsection 4 of section 178 and subsection 6 of section 239, and, subject to subsection 2,
  - (i) endorse on each duplicate original a certificate, setting out the day, month and year of endorsement and the corporation number,
  - (ii) file a copy of the articles with the endorsement of the certificate thereon,
  - (iii) send to the corporation or its representative one duplicate original of the articles with the endorsement of the certificate thereon, and
  - (iv) publish in *The Ontario Gazette*, in accordance with section 267, notice of the endorsement of the certificate.

Date on  
certificate

(2) A certificate referred to in subsection 1 shall be dated as of the day the Director receives the duplicate originals of any articles together with all other required documents executed in accordance with this Act and the prescribed fee, or as of any later date acceptable to the Director and specified by the person who submitted the articles or by the court.

Effective  
date of  
articles

(3) Articles endorsed with a certificate under subsection 1, are effective on the date shown in the certificate notwithstanding that any action required to be taken by the Director under this Act with respect to the endorsement of the certificate and filing by him is taken at a later date. *New.*

Where error  
in respect of  
certificate

**272.—**(1) Where a certificate endorsed by the Director contains an error or where a certificate is endorsed by the Director on articles or any other documents that contain an error, the corporation and its directors and shareholders shall, upon the request of the Director and after being given an opportunity to be heard, surrender the certificate and related articles or documents to the Director and pass such resolutions and take such other steps as the Director may reasonably require, and the Director shall then endorse a corrected certificate.

(2) A corrected certificate endorsed under subsection 1 may bear the date of the certificate it replaces. Date on certificate

(3) Where a correction made under subsection 1 is material, the Director shall forthwith give notice of the correction in *The Ontario Gazette* in accordance with section 267. Material amendment

(4) A decision of the Director under subsection 1 may be appealed to the court which may order the Director to change his decision and make such further order as it thinks fit. *New.* Appeal

**273.**—(1) Records required by this Act to be prepared and maintained by the Director or Commission may be in bound or loose-leaf form or in photographic film form, or may be entered or recorded by any system of mechanical or electronic data processing or by any other information storage device that is capable of reproducing any required information in an accurate and intelligible form within a reasonable time. Records

(2) When records maintained by the Director or the Commission are prepared and maintained other than in written form, Admission as evidence

(a) the Director or the Commission shall furnish any copy required to be furnished under subsection 2 of section 268 in intelligible written form; and

(b) a report reproduced from those records, if it is certified by the Director or the Commission or a member thereof, as the case may be, is, without proof of the office or signature thereof, admissible in evidence to the same extent as the original written records would have been.

(3) The Director or Commission, as the case may be, is not required to produce any document where a copy of the document is furnished in compliance with clause *a* of subsection 2. *New.* Copy in lieu of document

**274.**—(1) Any provision contained in the articles, by-laws or any special resolution of a corporation that was valid immediately before the day this Act comes into force, but that is not in conformity with this Act, shall be deemed to be amended on the day this Act comes into force to the extent necessary to bring the terms of such provision into conformity with this Act. Saving provision

(2) A corporation may by articles of amendment change the express terms of any provision in its articles referred to in subsection 1 to conform to the terms of such provision as deemed to be amended by subsection 1. Amendments

(3) A corporation may not restate its articles in accordance with section 171 unless the corporation has amended the express Idem

terms of any provision in its articles referred to in subsection 1 in accordance with the procedure set forth in subsection 2.

Where s. 183  
does not  
apply

(4) A shareholder is not entitled to dissent under section 183 in respect of any deemed amendment under this section.

Appointment  
of Director

**275.** The Minister may appoint a Director to carry out the duties and exercise the powers of the Director under this Act.

Repeals

**276.** The following are repealed:

1. *The Business Corporations Act*, being chapter 53 of the Revised Statutes of Ontario, 1970.
2. *The Business Corporations Amendment Act, 1971*, being chapter 26.
3. Paragraph 4 of the Schedule to *The Age of Majority and Accountability Act, 1971*, being chapter 98.
4. Section 30 of *The Government Reorganization Act, 1972*, being chapter 1.
5. *The Business Corporations Amendment Act, 1972*, being chapter 138.
6. *The Business Corporations Amendment Act, 1974*, being chapter 26.
7. *The Business Corporations Amendment Act, 1976*, being chapter 67.
8. *The Business Corporations Amendment Act, 1978*, being chapter 49.
9. *The Business Corporations Amendment Act, 1979*, being chapter 36.

Commencement

**277.** This Act comes into force on a day to be named by proclamation of the Lieutenant Governor.

Short title

**278.** The short title of this Act is *The Business Corporations Act, 1980*.



An Act to revise  
The Business Corporations Act

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*1st Reading*

December 12th, 1980

*2nd Reading*

*3rd Reading*

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THE HON. FRANK DREA  
Minister of Consumer and  
Commercial Relations

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*(Government Bill)*

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4TH SESSION, 31ST LEGISLATURE, ONTARIO  
29 ELIZABETH II, 1980 *4<sup>th</sup> Sess*

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An Act to amend  
The Highway Traffic Act

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MR. CUNNINGHAM

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#### EXPLANATORY NOTE

The purpose of the Bill is to require annual safety inspections for motor vehicles in Ontario.



BILL 230

1980

## An Act to amend The Highway Traffic Act

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. Section 57a of *The Highway Traffic Act*, being chapter 202 of the Revised Statutes of Ontario, 1970, as enacted by the Statutes of Ontario, 1975 (2nd Session), chapter 6, section 1 and amended by 1976, chapter 37, section 6 and 1979, chapter 57, section 3, is repealed and the following substituted therefor: s. 57a,  
re-enacted

57a.—(1) No person shall operate or permit to be operated on a highway a motor vehicle unless the vehicle displays, affixed in the place and manner prescribed in the regulations, a device issued by the Ministry as evidence that the inspection requirements and performance standards prescribed by the regulations have been complied with. Evidence  
of inspection  
required

(2) Subsection 1 does not apply to an operator of a motor vehicle who produces evidence that the vehicle has met the inspection requirements and performance standards of a reciprocating province or state designated by the regulations. Where  
subs. 1 does  
not apply

(3) Where the device required by subsection 1 is not displayed as prescribed by the regulations, a constable or officer appointed for the purposes of carrying out the provisions of this Act may seize the number plates of the vehicle. Removal of  
plates by  
officer

(4) A device issued by the Ministry under subsection 1 shall expire on the day one year following the day on which the device was issued unless the device is renewed upon completion of a renewal inspection. Expiration,  
renewal

2. Section 57c of the said Act, as enacted by the Statutes of Ontario, 1975 (2nd Session), chapter 6, section 1 and 1979, chapter 57, section 4, is repealed and the following substituted therefor: s. 57c,  
re-enacted

Regulations  
re:  
inspection  
of vehicles

57c. The Lieutenant Governor in Council may make regulations,

- (a) prescribing the methods and procedures relating to the use or issue of a device as evidence that the prescribed inspection procedures, inspection requirements and performance standards have been complied with; and
- (b) exempting types or classes of vehicle from the requirements of section 57a.

Commence-  
ment

3. This Act comes into force on the day it receives Royal Assent.

Short title

4. The short title of this Act is *The Highway Traffic Amendment Act, 1980*.







# BILL 230

An Act to amend  
The Highway Traffic Act

*1st Reading*

December 12th, 1980

*2nd Reading*

*3rd Reading*

MR. CUNNINGHAM

*(Private Member's Bill)*

BILL 231

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4TH SESSION, 31ST LEGISLATURE, ONTARIO  
29 ELIZABETH II, 1980

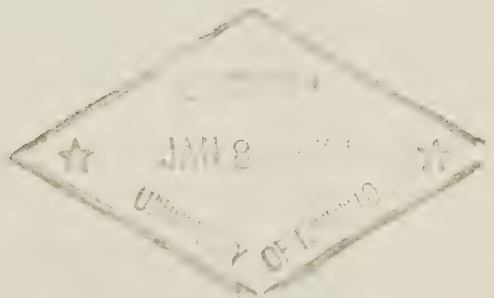
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An Act for granting to Her Majesty certain sums of money for  
the Public Service for the fiscal year ending the 31st day of  
March, 1981

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THE HON. F. S. MILLER  
Treasurer of Ontario and Minister of Economics

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BILL 231

1980

**An Act for granting to Her Majesty certain  
sums of money for the Public Service for the  
fiscal year ending the 31st day of March, 1981**

MOST GRACIOUS SOVEREIGN:

**W**HEREAS it appears by messages from the Honourable Pauline M. McGibbon, Lieutenant Governor of the Province of Ontario and the Honourable John B. Aird, Lieutenant Governor of the Province of Ontario, and from the estimates and supplementary estimates accompanying the same, that the sums mentioned in the Schedule to this Act are required to defray certain charges and expenses of the public service of this Province, not otherwise provided for, for the fiscal year ending the 31st day of March, 1981; may it therefore please Your Majesty that it be enacted and it is hereby enacted by the Queen's Most Excellent Majesty, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, as follows:

**1.—(1)** There may be paid out of the Consolidated Revenue Fund a sum not exceeding in the whole \$14,781,546,700 to be applied towards defraying the several charges and expenses of the public service, not otherwise provided for, from the 1st day of April, 1980, to the 31st day of March, 1981, as set forth in the Schedule to this Act, and, subject to subsection 2, such sum shall be paid and applied only in accordance with the votes and items of the estimates and supplementary estimates upon which the Schedule is based. \$14,781,546,700  
granted for  
fiscal year  
1980-81

**(2)** Where, in the fiscal year ending the 31st day of March, 1981, powers and duties are assigned and transferred from one minister of the Crown to another minister of the Crown, the appropriate sums in the votes and items of the estimates and supplementary estimates upon which the Schedule is based that are approved to defray the charges and expenses of the public service in the exercise and performance of such powers and duties, may be assigned and transferred from time to time as required by certificate of the Management Board of Cabinet to the ministry administered by the minister to whom the powers and duties are so assigned and transferred. Exception

Accounting  
for  
expenditure

2. The due application of all moneys expended under this Act shall be accounted for to Her Majesty.

Commence-  
ment

3. This Act comes into force on the day it receives Royal Assent.

Short title

4. The short title of this Act is *The Supply Act, 1980*.

## SCHEDULE

	ESTIMATES	SUPPLEMENTARY ESTIMATES	TOTAL
	\$	\$	\$
Office of the Lieutenant Governor .....	145,800		145,800
Office of the Premier .....	1,718,100		1,718,100
Cabinet Office .....	1,275,200		1,275,200
Management Board .....	171,258,800		171,258,800
Government Services .....	287,263,000		287,263,000
Intergovernmental Affairs .....	469,538,000		469,538,000
Northern Affairs .....	157,733,000		157,733,000
Revenue .....	188,264,000		188,264,000
Treasury and Economics .....	147,255,300		147,255,300
Office of the Assembly .....	21,553,800	2,376,700	23,930,500
Office of the Provincial Auditor .....	2,590,000	110,000	2,700,000
Office of the Ombudsman .....	4,750,000	83,000	4,833,000
Justice Policy .....	717,500		717,500
Attorney General .....	164,814,300		164,814,300
Consumer and Commercial Relations ...	72,695,200		72,695,200
Correctional Services .....	145,962,800		145,962,800
Solicitor General .....	191,732,700		191,732,700
Resources Development Policy .....	2,821,000		2,821,000
Agriculture and Food .....	170,547,900	6,900,000	177,447,900
Energy .....	30,708,000		30,708,000
Environment .....	310,705,400		310,705,400
Housing .....	297,836,000		297,836,000
Industry and Tourism .....	73,890,000	1,026,000	74,916,000
Labour .....	49,441,400		49,441,400
Natural Resources .....	288,670,300	20,060,500	308,730,800
Transportation and Communications ...	1,199,058,000		1,199,058,000
Social Development Policy .....	2,353,000		2,353,000
Colleges and Universities .....	1,526,226,000		1,526,226,000
Community and Social Services .....	1,454,809,000		1,454,809,000
Culture and Recreation .....	190,680,000		190,680,000
Education .....	2,407,278,000		2,407,278,000
Health .....	4,716,699,000		4,716,699,000
Total .....	14,750,990,500	30,556,200	14,781,546,700







An Act for granting to Her Majesty certain sums of money for the Public Service for the fiscal year ending the 31st day of March, 1981

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*1st Reading*

December 12th, 1980

*2nd Reading*

December 12th, 1980

*3rd Reading*

December 12th, 1980

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THE HON. F. S. MULLER  
Treasurer of Ontario and  
Minister of Economics

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